Men with a midget brain: p. 27
Look ahead at stocks, bonds: p. 3
Mortgage foreclosures rise: p. 23
We can survive atomic war: p. 34

The Financial Post

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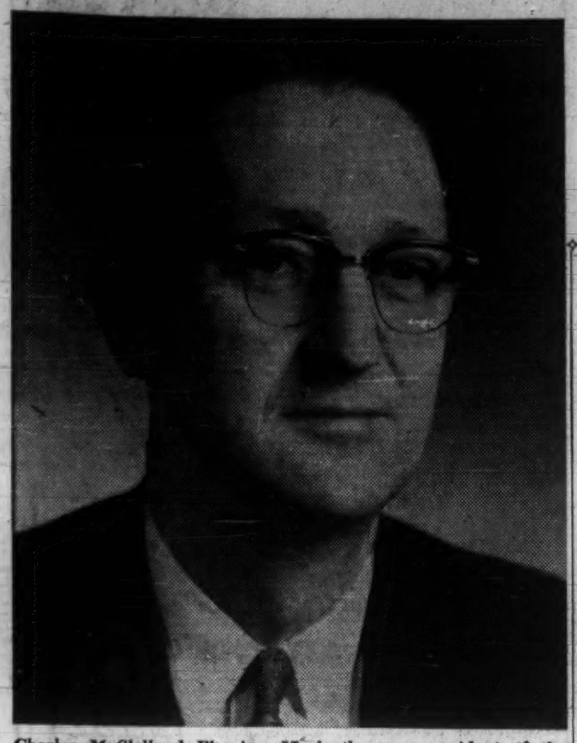
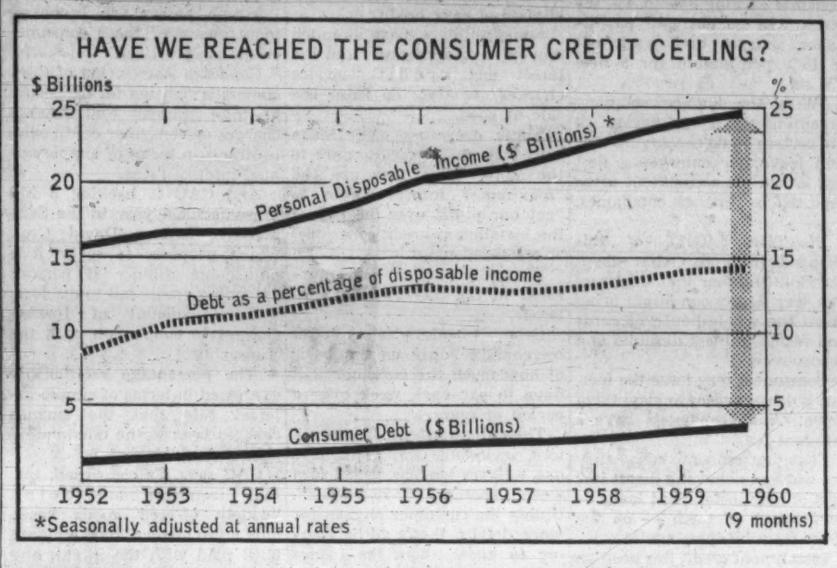
Keeping Canada Cool



Charles McClelland Fleming, 57, is the new president of the Canadian Refrigeration and Air Conditioning Association, whose 150 company members represent most of the $100-million-a-year industry that chills and cools for Canadian business. Mr. Fleming is also president of Coldstream Refrigerator Manufacturing Ltd., Winnipeg. (See feature report, pp. R1-R10.)



NATION'S BUSINESS

U. K. Tax Approach Might Help Here

For Canadians, one of the most troubling facts of business life today is the remarkable ability of the new Europe to make and sell an ever-widening range of items more cheaply than can Canadians.

But consider what the Canadian corporation tax does to Canada's ability to compete at home and in foreign markets.

First. It builds a big cost element into product prices to the detriment of Canadian producers. Since this does not occur to anything like the same extent in the U. K. or Europe, it means Canadian goods must compete with foreign goods that, comparatively, include virtually no element of corporate income taxation.

Second. It discourages Canadian risk capital by making company profits worth less to Canadian investors than to British or European investors. For example, under the tax set-ups in Canada and the U. K., a Canadian corporation owned by U. K. interests can make very substantially higher profits for its shareholders than could the same corporation if it were owned by Canadian shareholders.

Finally, the Canadian corporation tax encourages U. K. and European investors to buy up in great number Canadian firms. Our tax authorities, in brief, must shoulder much responsibility for the many firms that have sold out to U. K. and European interests in the postwar years.

The big difference between corporation tax in Canada and in, for example, the U. K. is this. We regard companies as distinct taxable entities and apply a standard rate of 50% on gross profit. They tax earnings retained by the company at 12.5% and then tax earnings distributed to the owners of the business, the shareholders, at a standard rate of 38.75% (with the company acting as tax collector).

As far as the U. K. shareholder is concerned, his final settlement with the tax authorities is determined by his own circumstances—he may get a rebate or be taxed more, depending on his tax bracket. Whether he pays higher *personal* income taxes than the Canadian shareholder depends largely on whether his government has even more ambitious spending schemes than has ours.

Startling and Sobering

But the important aspect of the U. K. tax system is this: The U. K. *company* can price its product without having to pass along to consumers or foreign buyers a great slice of domestic taxes. Business, in short, gets a better break.

Canada's corporation tax system, by contrast, raises product costs. The result is exports priced damagingly high —and a hobbling of Canadian investment and expansion.

When, as before the war, the Canadian corporation tax was 10% or 15%, it didn't matter much that its full incidence fell on the company and its product prices. But with a rate of 50% today, it is fair to wonder if Canada is geared for doing business in the present or only in the past.

This much is certain: International competition, especially from European producers is bound to get sharper. Note the comment made this week by one very concerned Canadian, J. Roy Gordon, president of the International Nickel Co. of Canada. About fast-growing Europe, he says:

"What we saw, heard and learned . . . was startling and sobering.

"In the course of our investigations in the European Economic Community, we ran up against new government attitudes toward exports which, we felt, justify further study and examination by our own government as well as by Canadian exporting industry.

"The principle of providing incentives to build export business whether by tax concessions or other means is generally accepted and practiced.

"In some territories, among competitors for business, Canada is a minority of one as far as incentives are concerned."

It is clear, indeed, that a major overhaul of Canada's antiquated tax setup is overdue.

Our governors, in their frenetic search for money and votes, have traditionally soaked the rich. And what richer plum was there to soak than the corporation which, after all, didn't have a vote?

They would be well advised, at this critical juncture in Canadian affairs, to reconsider present tax arrangements from the point of view of national growth, not national revenue only. We are, Roy Gordon says, now playing in a much faster international league than most Canadians realize.

The Facts and the Fears In Our Big Credit Spree

"You've got it all wrong, Charlie," says one Canadian to another in 1961. "My debts aren't too high. Trouble is, I'm not making enough spending money."

By NORTON ANDERSON

More than $3,500 million on the cuff . . .

That's how much Canadian consumers have gone into debt to "buy now".

Figures show consumer credit rising faster than personal disposable income, after taxes.

Between 1952 and end Sept./60, consumer debt increased 150% while personal disposable income, after tax, rose only 50%.

Have we reached the ceiling on consumer debt?

FP sought the answer from economists, finance and credit experts in a widespread Canadian check.

They say we are close to a saturation point in consumer debt, under existing business conditions.

For debt to go higher, Canadians need more personal disposable income, coming from several sources, the experts say. These include:

- **Getting** more unemployed Canadians to work.
- **Finding** ways to channel more income into the family unit, such as by dad moonlighting or putting junior to work.
- **Reducing** personal income taxes.

In one area alone — finding jobs for 300,000 jobless — the spending money of Canadians would increase by at least $2,000 million, without an appreciable rise in the total consumer credit, the experts say.

* * *

IS THERE, then, worry or alarm among the experts over the way consumer debts have risen?

No. **FP** finds few authorities who believe the total to be too high.

All agree there has been a tremendous change in the credit thinking of Canadians since World War II.

Economists think it represents a deep-seated economic and social change.

This table, showing consumer debt as a percentage of disposable income, after taxes, graphically illustrates the change in Canadians' thinking in recent times:

	%
1960 (end Sept.)	14.3
1959	14.1
1958	13.1
1957	12.7
1956	13.0
1955	12.4
1954	11.2
1953	10.5
1952	8.9

To arrive at these percentages, **FP** used total figures for installment and cash loans by finance and small loan companies, department store and retail dealers credit and charge accounts, home improvement and personal unsecured loans by chartered banks, credit un-

(Continued on page 2, col. 2)

FP records SIGNS AND PORTENTS

BLACK PEPPER promoters failed last year to make an expected $4 million killing because U. S. buyers boycotted the market (**FP**, July 9/60). Instead of anticipated climb to $1 lb., or more, price slipped to under 50c lb. **New crops are below expectations.** Traders look for a "firm, rising" market this year.

* * *

NEW UNIVERSITY grads are finding job openings easier, **FP** spot check indicates. **Several big companies say they're taking in only "executives of the future" right now.**

* * *

FIRST CANADIAN nuclear conference, organized by growing Canadian Nuclear Association, is set for Lord Simcoe Hotel, Toronto, May 16, 17. **You can expect hot investor news** from panels and "speakers of renown". Attendance expected: 250 members and delegates.

* * *

"TOOTH BANK" soon for Canada? Italian stomatologists recently transplanted the embryonic root of a wisdom tooth into an empty socket of the patient's own mouth. **A new tooth appeared in a few months.** U. S. and Canadian experiments now seek to transplant live teeth from one person to another.

* * *

FAST CNR FREIGHT Toronto-Vancouver may beat truck transport. Officials hope to guarantee four-day delivery to West Coast for eastern shippers. **Railway unions are co-operating to make speed possible.** CNR wants to iron out wrinkles before announcement.

Americans 45% Richer Than We Are

How much "richer" are the Americans than we are?

After paying all taxes, the average U. S. citizen has 45% more to spend than does the average Canadian.

At the end of Sept./60, Canadians had an annually adjusted $24,600 million of personal disposable income, after taxes.

The figure in the U. S. was $357,000 million.

Since there are 10 times as many U. S. citizens as Canadians, it means Canadians would need to have another $11,100 million spending money, after taxes, to reach the equivalent U. S. standards.

So, economists point out, the average U. S. earner (from salary, wages, investment income) has a great deal more "fat" to invest in his own country, and abroad, after he has paid for a higher standard of living than that enjoyed by the Canadian.

This Union Wants Stocks, Not Bonds

By VINCENT EGAN

Management across Canada will be watching closely the outcome of forthcoming negotiations between a Quebec union and company officials over the investment of pension monies.

The 1,500 members of the employees' union of **Canadian Johns-Manville Co.** at Asbestos, Que. — largest J-M operation in Canada — voted unanimously to ask management to agree to a switch of their pension funds to **United Accumulative Fund Ltd.**

At issue are two major points.

- **Who has the final say** in selection of managers for a company pension fund?
- **Who has the final say** in the type of portfolio the fund should have?

Some $20 million is said to be invested now in the existing trusteed pension plan.

New contributions, shared equally by management and labor, approximate $1 million annually, it is reported.

At midweek, the union had not yet made formal application to management for the switch.

A spokesman for the company said that any such request would have to be considered fully, in the light of the company's share in responsibility for the plan.

He could not say whether the trust deed would permit transfer of accumulated contributions to date.

Any such change would be a subject for labor-management bargaining on the next labor contract, he predicted.

If the whole $20 million portfolio were transferred to United Accumulated, it would drastically change the character of the security behind the pensions, and just as drastically affect the mutual fund.

At the moment, fund officials believe, most of the portfolio is invested in fixed income securities (bonds and mortgages). Only a small amount of common stock is held.

United Accumulative's total assets at Dec. 31/60 were mainly stocks, with a market value of $6 million.

Transfer of $20 million, or

(Continued on page 2, col. 4)

Opportunity Ready to Pop In Cleaning

By RAY MAGLADRY

The wraps are coming off Canada's newest business opportunity.

Half a dozen or more Canadian firms are ready to start distribution of coin-operated, do-it-yourself dry cleaning equipment.

They are shooting for quick growth in major cities. One manufacturer sees $1 million sales shaping by March/62 for his company.

Two types of businesses are initial targets for the hard-push distribution that will get under way in next three months.

- **Dry cleaners.** Established operators have watched development of coin units in U. S. Many are sold on them and are ready to "join rather than fight" them.
- **Existing coin laundry stores** with enough space — and capital — to go into coin dry cleaning too.

There are distributors getting ready to cater to both.

They expect the coin machines to dry clean at about one-quarter the cost of conventional dry cleaning.

But the coins in the slot won't buy finishing and pressing.

And pre-spotting — special treatment of stains — won't be possible in coin-operated stores.

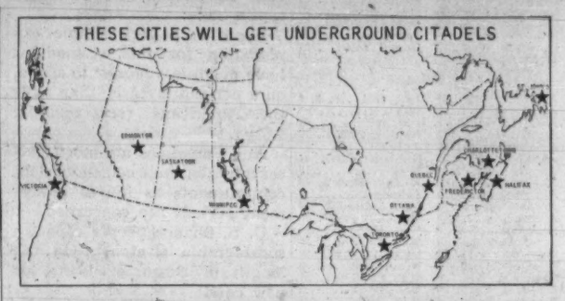
For potential operators, the question of capital outlay is still in the air.

A wide variety of machine types will be available initially, many of them now just pilot models. That means hard quotes on costs cannot be given just yet.

The race to crack into the field fast is now in full swing in Canada.

RCA Victor is expected to un-

(Continued on page 9, col. 2)



Watch for Big 'War Citadels' Contracts Soon

By TERENCE ROBERTSON

OTTAWA (Staff)—Within the next two months the federal government will offer for public tender one of the largest series of defence construction contracts ever issued in Canada.

"We know of nothing bigger," Ottawa sources say.

Interlocking systems of underground citadels and communications centres will be constructed in every province (see map).

The program will mean big spending (Ottawa won't yet say how much) and lots of jobs in basic construction, electronics, air conditioning, electrical equipment, etc.

If warning of an enemy attack is given, federal and provincial governments will go underground to ensure continuity of civil authority.

The whole plan is based on the fact that Ottawa believes in nuclear attack is a "possibility."

The federal cabinet and the chiefs of staff expect at least three hours' warning.

This is the estimated time gap between the first radar sighting of manned aircraft formations by the Dew Line and the first bomb to fall on a Canadian target, the experts say.

All aspects of Canadian defence planning conform to the U. S., U. K. and NATO belief that manned bombers will constitute the major threat until 1965 at least.

Federal and provincial ministers, deputy ministers and key departmental civil servants and leaders of opposition parties have already been assigned to "nuclear protected" quarters.

The Canada-wide citadels will shelter three principal elements of Canada's government authority:

- **Federal components** drawn from the federal public services within each province and from such sources as the federal government may use — including business and industry.
- **Provincial components,** consisting of persons drawn from provincial governments and public service sources within the province.
- **Army elements,** which will provide the military authority within the province and support civilian effort to maintain law and order.

When revealing these plans to **FP** this week, R. B. Curry, director of Ottawa's Emergency Measures Organization, said:

"While it may be assumed that these emergency facilities in the provinces will be given protection against radioactive fallout, final decisions have not been made regarding the extent of such protection in every province.

"We have had to keep this construction program hidden

(Continued on page 2, col. 5)

Canadians Cool in Soybeans 'Prefer to Play the Mines'

By W. L. DACK

Frustrated mining stock speculators could have tried new pastures last week — and made up to 70% profit on margin.

Soybean prices (**FP**, Jan. 14) are still rising.

The soybean market is one of the hottest speculative situations in world commodities today, so hot, in fact, that the U. S. Commodity Exchange Authority this week announced it is investigating the big splurge.

Officials said trading has reached "record proportions," and the Exchange wants to see if any price manipulations or "excessive speculation" have occurred.

So far Canadian speculators haven't seemed very hot about it.

"Canadians don't play the commodity markets much," a commodity trader in a U. S. investment house told **FP** this week.

"They don't seem to understand its operation. They prefer to play the mining stocks."

Indications of a developing world soybean shortage before the next crop season has created an explosive price situation.

Speculators carried soybean futures for next May delivery from a mid-November low of $2.18 bu. to a high of $2.56½ bu. this midweek. (It was $2.48 bu. last week.)

That's the highest price tag on soybeans in the last five years, and the upward splurge is still gathering steam.

In an effort to curb speculative excesses, the big Chicago Board of Trade (major U. S. commodity exchange) boosted margin requirements this week from 10c to 15c a bu.

It was the second increase in the last couple of weeks. Margins were 3c bu. to start with.

How does a Canadian get into the soybean binge?

You have to go to the U. S. commodity exchanges, but you can place your orders with branches of several U. S. investment firms in Canada.

The same is the case with such other world commodities as sugar, cocoa, coffee, rubber.

Only items that can be traded on Canadian commodity exchanges are the coarse grains, rye, flax, barley and oats.

The rising price means plenty to Canada's soybean producers,

(Continued on page 9, col. 4)

NEXT WEEK

- **Our industry slow, backward?**
- **The coming trends in golf.**
- **How to read your boss' mind.**

FP rounds up

The Outlook

Facts and expert opinion on the economic weather ahead . . .

By DALTON ROBERTSON

DESPITE indications that the current downturn may be mild when measured by such over-all yardsticks as gross national product, **unemployment in Canada reached a postwar peak at mid-December, seasonal factors considered.**

By actual estimate, job seekers totaled 528,000 for a 23% rise in a month and a 30% increase over a year earlier.

The reason: Canada's workers—with or without jobs—increased by 3.2% during the past year, but the number of jobs grew by only 1.3%. The economy, in brief, wasn't expanding fast enough to absorb the newcomers and re-absorb the laid-off.

This means that **8.2% of the work force or about one in every 12 workers was job-hunting at mid-December.** A year ago, when the last period of expansion was at its height, the ratio was 6.5% or about one in every 15 or 16.

These actual unemployment figures, however, tell only part of the story. They are still below last winter's high point of unemployment when almost 10% of the work force was unemployed. But adjusted to discount the purely seasonal rise, the figures reveal that a postwar peak—7.9%—has already been reached.

To size up the seriousness of current unemployment, compare this seasonally adjusted 7.9% with earlier levels. The ratio in Dec. /59 was 6.3%. It was 7.3% in Dec. /58—but in Dec. /55 and in Dec. /56 when the big boom was on, the ratios were only 3.7% and 3.5%.

The contrast between the slow growth of the Canadian economy in recent years and the prosperity of the earlier post-

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Look for It Here

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The Facts and the Fears In Our Big Credit Spree

(CONTINUED FROM P. 1)

ions and Quebec Savings Bank unsecured loans.

* * *

CANADIANS today are pledging more of their disposable income on consumer credit than Americans are, on a per capita basis.

There is a very simple explanation for this. Canadians have much less money to spend, on a per capita basis, than have the Americans (see separate story).

And Canadians are more conservative in their consumer debt commitments as far as repayment periods are concerned.

U. S. finance people report a considerable stretchout in the length of consumer loans for new cars.

There the maximum term for new contracts jumped from 24 to 36 months, and a significant number were written for 42 months.

What's the Canadian experience?

A growing tendency in the last two years to spread repayments over a longer period, but still not as much as in the U. S.

Here are the figures showing average repayment terms in months.

	1958	1960 (end Sept.)
New cars	24.0	26.8
Used cars	17.0	17.6
Other consumer goods	20.1	24.5
Other comm. & indust. goods	25.1	28.3

* * *

CANADIANS so far are acting differently than they did during the recessions of 1954 and 1958.

Then they repaid more on consumer debts. The result was that repayments ran ahead of new contracts financed by sales finance companies.

Today, except in the area of small loans, this same situation hasn't shown up yet to a marked degree.

However, economists are predicting that there will be net repayments of consumer credit in 1961, unless personal disposable income increases more rapidly than it is at present.

* * *

THERE IS growing concern, finance men say, over what groups of Canadians are most heavily involved in consumer credit.

And there's uneasiness, too, over this business of comparing debt with disposable income.

Finance companies say that more than a million Canadian families are using credit.

If anything, they say the $3,500 million total of consumer credit outstanding is an understatement.

There are, for instance, some forms of consumer debt, such as unpaid taxes and debts to doctors and other persons, for which statistics are not regularly collected.

There are, they point out, installment debts incurred for appliances and furnishings in new dwellings which should be classed as consumer debts but which are incorporated in a general mortgage covenant.

They do say, though, that a lot of the $394 million of unsecured credit union loans are granted in rural areas where the debtors have strong assets.

But sketchy studies of consumer debt indicate that farm families are small users of consumer credit.

Heaviest users are larger families and those in the middle income bracket.

Here, experts say, is the nub of the consumer credit problem.

How can we say there's an average relationship between debt and income — and apply it to all persons? the experts ask.

They say that available statistics do not reflect either the full amount or the concentration of consumer debt.

The true test of our health in consumer credit granting is how much discretionary spending the family or individual has after paying for basic living costs, credit experts believe.

They say there is an area of relative safety (heavy debts by middle income people) and an area of danger (heavy consumer debts by large families with small discretionary spending).

* * *

WHAT ARE credit men doing about a problem which is being aggravated by a continuing high level of consumer debt in a period of high unemployment?

Installment finance, small loan companies, department and retail stores and banks say they have become "selective" in granting credit.

They say they are automatically more selective in any area where unemployment increases.

But they are hampered in large Canadian cities by insufficient knowledge of how much debt pyramiding is being done.

Small cities usually have one central credit clearing house. They know, and can keep a close touch on, the credit activities of most people in the area.

This is not true in the large cities.

Installment finance executives tell **FP** they are accepting retail paper from automobile dealers in far too many cases where the car buyer is in deep financial trouble.

The installment finance company picks up the retailers' credit tab on a "recourse" basis. That is, the dealer assumes liability for credit losses, if the merchandise has to be repossessed.

So the dealer, in a period of harder sell, is often willing to take more risks in order to move inventory and forward commitments with the factory.

All the finance company can do is to "urge the dealer to put the brakes on," says the president of a large finance company.

Result is that installment finance companies in Canada report delinquencies "spotty, but up a fraction; credit losses a wee bit higher."

Canada is faring better than the U. S. in credit losses.

There, losses on repossessed cars are reported at the highest level in 25 years.

The consumer credit industry here says this is due to an overestimation of consumer demand in the U. S.; a used car problem worse than Canada's; and because compact cars have upset normal seasonal patterns.

With auto loans making up the biggest segment of Canadian consumer credit, is there trouble ahead for lenders?

Officials don't think so.

Installment finance companies finance 92% of vehicles at wholesale, but only 35% at retail. Banks and credit unions also finance a lot of cars and trucks.

Small loan companies lend money which often ends up paying for part of a car.

And there's some evidence to suggest that the proportion of autos sold on credit in Canada is dropping, just as finance company economists in the U. S. say it is receding there.

* * *

CREDIT is being substituted for cash on new Canadian fronts. The whole field of travel by air, sea and land is operating a "go now — pay later" plan.

Economists say there's nothing basically wrong with this new credit thinking.

- **Labor-saving appliances** and devices are being paid for on the installment plan as an alternative for the wages of domestic servants.
- **Payments on the family car** replace the purchase of tickets for public transportation.
- **The housewife budgets** for payment of the refrigerator instead of paying the iceman.
- **Many families** look on installment buying as a way of budgeting, **FP** finds.

Surprising as it may at first seem, many people with saving accounts earning 3% to 4% interest will go out and pay finance charges that work out to 18% per annum for a new TV set.

"With the finance company breathing down our necks, we are certain to do the saving that will leave our emergency nest egg intact," is a comment often reported by finance companies.

* * *

IN THE LIGHT of this changed thinking, what about the haunting fear that the onset of a deep depression might bring down the whole house of cards and result in mass defaults and repossessions?

Consumers may have the fear, but it doesn't seem to slow them down. And economists have a different fear.

Canadian economists say they are worried about the direct impact of new installment loans — or the lack of them — on the short-term business cycle.

Installment credit has been an important element making for instability, some economists say.

"So long as the consumer can increase or decrease his consumption expenditures by the twist of his pen, the unavoidable instability of business investment and government defence spending may be compounded by similar consumer instability," says one economist.

That's why more and more Canadians want to step up research into the whole field of consumer credit.

E. Michael Howarth, executive vice-president of the Federated Council of Sales Finance Companies (with 36 members representing 70% of sales finance company volume) says the FCSFC will do something about it.

He says the available amount of study is negligible.

His federation is considering ways of stimulating research in the whole field through university circles.

Three-Way Merger For Package Firms

Three companies in the packaging industry have merged to form **Howell Litho & Cartons Ltd.,** wholly-owned subsidiary of **Dover Industries Ltd.,** Hamilton.

The new company results from merging **Howell Lithographic Co.** with the carton division of **Robinson Industries Ltd.** and the **Filey-Hall Paper Box Co.**

Douglas H. Wigle will be president of the new company which will produce paper, foil and boxboard packaging, and various printed material.

This Union Wants Stocks

(CONTINUED FROM P. 1)

even a good part of it, would represent a very sharp increase in the funds under its administration.

Under the fund's proposal, pension payments would in future be based partly on market performance of UAF shares, instead of being stated in fixed numbers of dollars.

Spokesmen for the fund believe this is the first time in Canada that negotiations in connection with a joint company-employee contributory plan have taken place directly between labor officials and investment management.

Key negotiator for the union is its president, Armand Larrivée.

Fund was represented by Noel Hickey, provincial manager of **United Investment Services (Quebec) Ltd.,** and G. R. Lanciault, division manager at Sherbrooke.

At least one other mutual fund made a proposal to the union executive.

Second Frozen Food Plant Likely in P.E.I.

From Our Own Correspondent

CHARLOTTETOWN — Substantial increases in shipments of frozen foods to the U. S. have prompted Prince Edward Island to encourage establishment of another frozen food plant.

It is looking into possible sites for **Seabrook Farms Co.** of Seabrook, N.J.

Seabrook contemplates year-round production, freezing fresh vegetables during the summer and french fried potatoes out of season.

P.E.I. Frosted Food Co. sold 3.8 million lb. of vegetables in the U. S. in 10 months to Oct. 31/60, up from 143,050 lb. in corresponding 1959. Fruit sales jumped from less than 5,000 lb. to slightly over 1 million lb.

To meet demands of a new plant, the provincial department of agriculture is discussing with farmers prospects of increasing output of small vegetables.

ATLAS GETS CONTRACT

FREDERICTON — **Atlas Construction Co.,** Fredericton, has been awarded a $1,691,277 federal government contract to construct two oceanographic buildings for the new Bedford Institute of Oceanography at Halifax.

'They Don't Want My Cash' More Profit in Financing

"I get no concession for offering to pay cash. They don't want my money, only my credit," one Canadian consumer complained to **FP** recently.

Most Canadian lenders operate on highly ethical standards, charging a scale of interest rates with a maximum established by law.

But many fast operators have been nurtured in the murky climate of easy credit.

Some retailers make as much money on "payments" from interest and credit "service charges" as they do from the sale of goods.

These operators make deep price cuts to drag customers to the store. Then they use the "maximum" interest table to "get our profit over the life of the installment credit contract," as one retailer put it.

Naturally they are not interested in the pay-by-cash customer.

Other wheeler-dealers offer merchandise only on the basis of how much the customer will have to pay each week over a period of years.

This group of credit operators, including chains, displays one wringer washer at "$2.45 a week", another, "$2.90 a week". Unless the customer presses for more details, that's all he's going to know about the transaction.

Reputable finance companies say they "deplore this degradation of consumer credit".

Far too often, they say, manufacturers and distributors find unscrupulous retailers offering tremendous "bargains" for products stripped to the bare, essential item.

Then when the sale is complete, the customer finds a long list of service, installation, delivery, warranty charges added to big interest charges.

Public bodies are becoming more aware of these consumer credit malpractices.

Canadian Association of Consumers is fighting for disclosure of total interest and finance charges on consumer credit sales contracts in terms of simple annual interest rates.

And CAC is backing a bill presented last year to the Senate by Senator David Croll which proposes to make it a punishable offence if persons extending credit fail to disclose:

- **Total amount of finance charges** in connection with the transaction.
- **The percentage relationship** expressed in terms of simple interest rate that the finance charges bear to the outstanding principal obligation.

CAC says it's concerned, too, that teenagers are being "widely offered goods based only on so many dollars a month until paid with the intent, and the danger, of involving them at an early age in habits of overspending and perpetual debt."

Watch for 'War Citadels' Contracts This Spring

(CONTINUED FROM P. 1)

from the public to avoid large-scale land speculation.

"These provincial complexes of control points and communications centres will cover quite a bit of territory.

"Therefore, we thought it best to wait until final designs had been approved and the blueprints completed before releasing the information.

"Now that we are ready to invite contractors to tender their bids, there is no further need for secrecy.

"In any event, the provincial complexes represent such an immense construction program that once work started it would be impossible to maintain any sort of secrecy."

Until the systems are completed—probably by 1963—the various governments and municipalities concerned will continue to use existing Canadian Army facilities.

These are sufficient to afford limited protection against nuclear attack, and the Army Signals Corps operates a nation-wide communications network.

Although the existence of the underground citadels will be public knowledge, few unauthorized persons will be allowed near them.

Each control centre will be surrounded by a widely flung defence perimeter guarded by the Army.

Inside, there will be food, medical supplies and all the necessities to sustain life for prolonged periods.

The provincial citadels will be purely functional, designed to enable administrations to deal efficiently with war problems.

There will be no accommodation for families.

Men designated to go underground are forbidden to disclose this information to even their closest relatives.

"The whole scheme is predicated on the theory that nuclear war is at least a possibility," Curry told **FP.**

"It is therefore the federal government's duty to take such measures as are practicable to ensure the survival of Canada as a nation.

"Some of our cities might suffer horribly. Many of our people would be killed. A great deal of property damage would ensue.

"But we can minimize the effects of both blast and fallout," he said.

"It will depend upon the preservation of government and its continuity. This is essential if we are to survive and revive ourselves as a nation.

"The first thing the public would clamor for in the event of attack would be information as to whether the government was in being, what it intended to do and whether it was capable of supplying services such as aid for stricken areas.

"Therefore we have taken steps to ensure that federal public services, provincial public services and the Canadian Army will be able to carry on a three-way partnership even if all the major cities of the country were to be attacked."

Curry said there was another reason for disclosing the plans to build an underground network of control points.

"No one should delude himself into thinking that our emergency measures are provocative of war, that they are likely to lead an enemy to attack us.

"A thoughtful and intelligent enemy will look at the country that has made its emergency plans, laid on its preparations and will regard that country as less of a sitting duck than it would be otherwise.

"We want the world to know that we are ready, that we will not be taken by surprise. I despair of people who suggest that simply because we take defensive measures we are provoking a potential enemy."

All talk of "Alternative Ottawa" is discouraged in Ottawa proper. Officials designated to go underground refer to it somewhat disrespectfully as "The Coal Hole".

Small skeleton staffs are maintained in the "hole" to duplicate the work of every government department in Ottawa.

In the event of war, the government will be able to move i to the citadel and continue to function without interruption.

Cost of the intricate underground systems will not be known until the final tenders have been accepted.

FP understands, however, that the federal government will foot most of the bill.

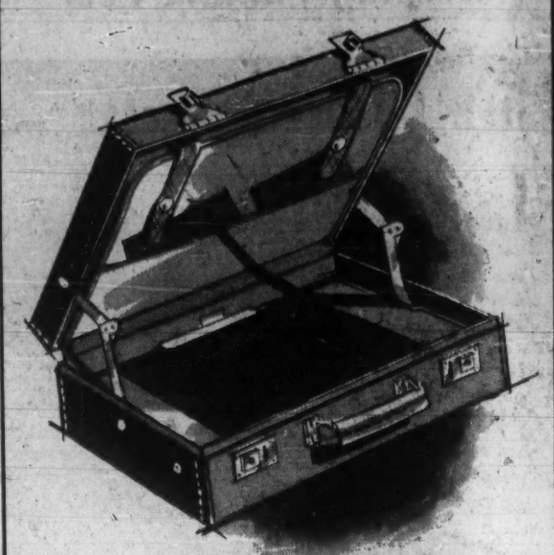
Bowater Buying Swiss Paper Firm

MONTREAL (Staff) — **Bowater Paper Corp.** has offered to purchase all outstanding shares of **Paper Industries Ltd.,** St. Moritz, Switzerland.

Subject to consent of U. K. exchange control authorities, Bowater will exchange 42 ordinary shares and a cash payment of 20 Swiss francs (about $4.40 Canadian) for each share of Paper Industries. Recent Bowater market price: $7½.

Details of offer will be made known by Feb. 1.

Exchange will be undertaken by **Swiss Credit Bank** and **Union Bank of Switzerland,** which will recommend acceptance.



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We'll Spend More, But Production May Drop 2% - 3%

• Business conditions in 1961: GNP up 2% but industrial production off 2%-3%. More gains in consumer spending, and capital spending unchanged.

• Stock prices: Irregular trends, but a net 10% rise.

• Bond prices: Greater demand for funds will push prices down, yields up, lead to more "sweeteners."

Those are key predictions on 1961's trends, made recently before a Toronto group of investment men and economists, by three of the group's members. Opinions are not necessarily those of the group.

Here are digests of the forecasts of the three members who were asked for predictions on the coming year's trends:

Business

The current recession is not like earlier postwar declines. Over-capacity is larger, sensitive commodity prices are weaker, the adjustment here in Canada has been less so far, and the inventory build-up has apparently been small.

Because the implications of these and other indicators are not only contrary but partly inconsistent, they cast a long shadow over the forecast that I will make, and which I regard as optimistic.

Consumer spending will probably rise this year by at least as much as in 1960. A larger percentage of our employed people will be spending virtually all of the income that comes their way. Unemployment payments are going to be a substantial support. The point is that disposable income will be larger, and personal spending will increase accordingly — by about $800 million.

Government spending should be at least $300 million higher than last year—that is, a slightly larger increase than in 1960. Reason is that every level of government will try to advance projects to provide employment whenever practical, even though government revenues are likely to dwindle and social security charges will be a growing burden.

New fixed capital formation should be the same as last year. Government support for financing may maintain residential construction at 1960 levels.

But in other areas, capital spending may be at rock bottom. However, "social capital" is a very large part of non-residential construction; today much of this type of spending is regarded as a necessity and is not likely to be cut. In other areas of non-residential construction — e.g., natural gas pipelines — spending may be up a litle.

Machinery and equipment outlays will be slightly smaller. I estimate 6.5% of GNP vs. nearly 9% in 1957; this would be the lowest percentage since 1946.

Inventories will decline by $500-$600 million, vs. last year's increase.

Balance of international payments will continue the same trend as 1960 through most, if not all, of 1961—that is, toward an improved balance. Exports will be no better, probably a little lower, but imports should decline by substantially more than this. Balance of international payments should be almost $200 million better, which means a deficit of some $900 million.

Gross national product will be between $36,000 million and $36,250 million, or close to 2% above last year.

There will probably be more people employed in Canada on average, but the increase will not absorb the growth in labor force, and so unemployment will reach a new postwar peak.

Industrial production outlook is less encouraging than that of the economy as a whole. It will probably bottom out some time in the first half of this year, but on average it will probably be no more than 2% or 3% below last year.

Stocks

The experience of recent years suggests that the Canadian market, under present conditions, can comfortably absorb — and indeed requires — new issues (or rights offerings) of common shares in the area of $300 million a year.

This figure is not expected to be exceeded in 1961, although sizable rights operations by at least two banks and by two of our largest utilities are in prospect.

Two categories of our foreign shareholders have been depressing our market with heavy offerings, however.

First are the non-resident-owned mutual funds, who brought about $300 million U. S. new money into our market 1954-58. Because of changes in our death duties early in 1959, and for other reasons since, these funds have been forced to liquidate and withdraw about $100 million from our market.

I feel this source of liquidation has run its course, and the net NRO figure could be a mild plus factor again.

Second, during the past 18 months internationally minded investors switched portfolio holdings from Canada to more promising markets. In my view, we are not now subject to this source of selling in serious terms and, in fact, could see a reverse flow.

Will the declared wish of our government—that Canadians be given the opportunity to own more of the equity of U. S. subsidiaries operating in this country—cause large blocks of stocks of this kind to be offered to the Canadian public in 1961?

I just don't feel it will happen, that soon, in any significant size. The owners don't want to sell, and to date don't have to.

On the demand side, national savings available for investment should continue to grow even if GNP stands still, principally because our financial institutions are becoming larger and more effective. In addition, our government is committed to policies which can stimulate this stock-purchasing trend even further.

Other things being equal, and if nobody rocks the boat, I look for a market which will back and fill for the next few months, but which will at the year-end be 10% above today's level.

Bonds

There will be increased pressure on the Canadian market from provincial and municipal authorities who might have borrowed outside the country. I think we will find a more realistic appraisal of the different classes of credits in these two fields.

Corporation borrowing will be substantially reduced from the $350 million obtained last year, but public utilities (including the pipelines) will more than take up the slack. A number of pipeline companies that had planned U. S. borrowing will now be forced into the Canadian market.

In an effort to keep the coupon down and as an inducement to the institutions and others to buy, we will see warrants attached—particularly if the financing is done after mid-year.

The Minister of Finance has indicated he will come to the market more often and in smaller amounts to try and ease the pressure this year. I feel that the budget deficit will be larger than so far estimated—probably about $397 million—and when non-budget items are added, federal requirements will be about 35% less than last year.

Most of the new federal issues will have short maturities, but I feel one issue will be tried for a longer period, say about 1970.

The banks will be made a little easier for funds early in the year, and could be buyers of short-term bonds. But by late spring or early summer the banks will find their loans creeping up and will no longer be a factor in the short end.

Demand for mortgage loans will be considerably less in 1961, and institutions which normally channel a goodly portion of their funds into this field will be forced to turn to the bond market for investment.

Pressure on our bond market will prevail most of the year, and there should be some fairly sharp movements. Yields won't go as high as some buyers would like, nor as low as some sellers might indicate.

And now to be specific, yields on treasuries will range from 2.25% to 4.10%, Canada 4½% of '83 from 5.00% to 5.60%, provincials from 5.75% to 6.00%, municipals from 5.875% to 6.25%, and corporations from 6.00% to 6.25%.

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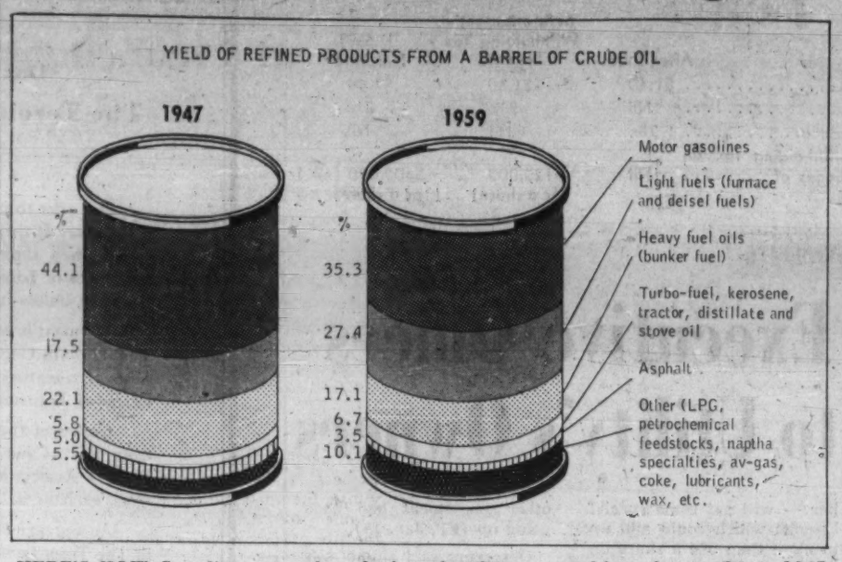
THE CANADA PERMANENT TRUST COMPANY

JOHN W. MILLAR J. E. NADEAU

The appointments of John W. Millar and J. E. Nadeau as Assistant General Managers of The Canada Permanent Trust Company are announced by W. Leo Knowlton, Q.C., General Manager of the Company.

Mr. Millar has been Manager of the Company's Toronto Branch since 1958, and Mr. Nadeau was appointed Manager of the Montreal Branch in 1955. Both will continue to serve as managers of their respective branches in addition to their new responsibilities.

Canada's Oil Demand Has Changed



HERE'S HOW Canadians use a barrel of crude oil now — and how they used it in 1947. Growth in residential heating by fuel oil and dieselization of the railways are the big factors that boosted the demand for light fuel oils.

Liberal Dilemma, 'Hard' vs. 'Soft' Policy Conflict

By J. K. EDMONDS

OTTAWA (Staff) — While the other 20 sub-committees of the Liberal Rally at Ottawa were developing new spending programs for the party, one was discussing how to pay for it all.

This was the sub-committee on monetary and fiscal policy chaired by Mitchell Sharp, which started off equipped with a draft resolution headed: "Full Employment and a Vigorous Economy".

The report of this group was one that didn't emerge from the National Policy Committee in time to be discussed by the rally as a whole.

Party officials say it will be released later.

When it comes, it will be an important indication of just how "hard" or "soft" Liberal party attitudes to money are apt to be.

On this, the Liberals face roughly the same problem that President-elect Kennedy had to deal with: how to beat the drum for anti-recession, growth policies, without sounding like a party hell-bent on inflation.

For the Liberals, the problem is complicated by the recent row over the policies of the Bank of Canada.

Argument in the sub-committee developed chiefly around three points —

• The risk of inflation.

On this, most of the delegates who spoke seemed willing to go along with tax cuts, deficits, and expansion of the money supply to mop up unemployment now.

But there was much talk about the need for a stable dollar, and much backing away from the danger of being tagged as a party devoted to inflation under any and all circumstances.

Each new draft of the resolution added more references to the need for sound money and the desirability of balancing budgets and paying off debts in times of prosperity and high employment.

• Co-ordination of monetary and fiscal policy.

Here again, there was agreement that it should be co-ordinated, but a split on the question of how.

The suggestion that the Bank of Canada should be brought under direct government control met strong resistance from the party brass.

Key statement on this point was that credit must be restrained in times of inflationary pressure such as Canada has experienced, but that monetary policy must not be used to hold back the growth of the economy.

• Proposal to appoint a national economic commission to co-ordinate economic policy. Other levels of government and representatives of business, farmers, consumers and labor could be included in the council.

This proposal ran into opposition on two grounds.

First, some delegates pointed out that this might split responsibility for economic policy. Since division of responsibilities was what the committee was objecting to in the case of the Bank of Canada and monetary policy, it would be inconsistent, some delegates argued, to create such a planning commission.

Others—particularly a group from Saskatchewan—just didn't like the idea of a government economic planning body in any form.

Like the Democrats in the U. S., the Liberals certainly have a soft-money wing and a hard-money wing. In the sub-committee, the hard-money advocates made headway.

The resolution that finally emerges from the National Policy Committee will have to reconcile and clarify these two points of view.

Int. Utilities Plans Offer To Northland

Shareholders of **Northland Utilities Ltd.,** Edmonton, will receive an offer for their shares within the next few weeks from **International Utilities Corp.,** New York public utility holding firm.

International will offer one $2 convertible preferred share (recent price: $40½) for each two common shares of Northland (recent price: $19½) and 2½ $2 convertible preferred shares for each $100 par value of Northland preferred stock.

At last report, Northland had outstanding 272,030 common shares, 5,000 5% cumulative redeemable preferred shares, $50 par, and 4,000 5½% cumulative redeemable preferred shares, $100 par.

The 5% shares are quoted at $45 bid, the 5½% at $97 bid.

Offer will be made only with respect to about 265,000 common shares of Northland outstanding on Jan. 10/61. Directors of Northland and their associates, who own about one half of the outstanding common stock have agreed to recommend International's offer to other shareholders.

International already has an interest in the Canadian company through holdings of debentures and common stock. Its Canadian subsidiaries include **Canadian Western Natural Gas Co., Northwestern Utilities** and **Canadian Utilities.**

U. S. firm also recently bought 200,000 shares of **Canadian Industrial Gas** at $4 a share and was granted options on a further 200,000 shares at prices from $5 to $6 a share (FP, Dec. 3).

Northland, which operates in the Peace River area of Western Canada, earned $362,923 ($1.21 per common share) in /59. Operations in /60 were reported to be running ahead of the previous year.

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How Changes Affect Earnings

	After shift	Before Budget's Withholding Tax Increase	If Shift Not Made
Canadian investor gets dividend of	$1.40	$1.40	$1.40
Less U. S. withholding tax of	Nil	21c	21c
Allowed Canadian dividend tax credit of	28c	Nil	Nil
Parent company pays Canadian withholding tax on dividends from Canadian subsidiaries of	Nil	$120,000 (5c a share)	$400,000 (est.) (16c a share)

FP reports on INVESTMENTS

Switch in Executive Offices Big Boon to Utility's Owners

By NEVILLE NANKIVELL

CANADIAN investors will get a big break from a tax-angled office shift to Toronto by **International Utilities Corp.**, New York-based holding company which gets most of its income from Canada.

The move will enable the company to escape the withholding tax increases announced in last month's supplementary budget.

But Canadian shareholders — about half the total number — will get some special benefits which could add up to more than 50c a share on current dividend and earnings basis.

The boost for Canadian shareholders sent stock up $3⅝ on the Toronto exchange in two days of trading after news of the move was announced Monday. The high of $38 was a record.

Last Friday (Jan. 13) stock had closed at $34⅛ after a recent series of price declines, at a time when other gas stocks had been going up (**FP**, Jan. 14).

Observers said slump was due mainly to the withholding tax increases and company's unusual corporate setup.

Company is incorporated in Maryland, has head office in New York, apparently control is held in Philadelphia and nearly all its assets are in Western Canada.

As a result, Canadian shareholders, who hold more than 40% of outstanding stock, hadn't been able to claim the 20% tax credit on their dividends.

Now they will be entitled to the credit — worth 28c a share on current dividends of $1.40.

And they'll also be free of U. S. withholding tax on their dividends. This had previously taken a slice of 15% (21c a share) from their dividend cheques.

This means the Canadian investor gets benefit of 28c a share on tax credit, 21c a share on elimination of withholding tax on his dividends, plus benefits of company's increased earnings through savings of up to $400,000 by elimination of withholding tax on dividends paid by subsidiaries.

All this will depend, of course, on forthcoming legislation cleaning up the budget resolutions. Company expects the legislation will allow these benefits under its new setup.

The withholding tax savings on subsidiary dividends will also aid U. S. shareholders, but they won't get the added incentives the Canadians do.

Company will have to withhold 15% tax on dividends paid to U. S. shareholders — the dividends will be disbursed from Toronto — but management says the majority of these shareholders will be able to offset this with a credit against U. S. income tax payable on their incomes from international and other foreign sources.

Some, however, won't be able to do this because they may not be required to pay income taxes at rates which would enable them to recover all of the Canadian withholding tax (see p. 18).

Added incentives for Canadian investors showed in the price spread of stock on the U. S. and Canadian exchanges. Because of the discount on the U. S. dollar, quotes in New York are usually higher than those in Canada.

But here's what stock has been doing:

Close in:	Midweek $	Before News of Shift (Jan. 13) $	Mid-week Before Budget $
Toronto	37¾	34⅛	35¼
New York	37⅜	34¼	36

The benefits may invite a lot more Canadians to buy stock.

Control will probably remain in U. S., but likelihood of eventual Canadian control hasn't been ruled out in investment circles.

Company's operating subsidiaries in Western Canada are **Canadian Western Natural Gas Co., Northwestern Utilities Ltd.** and **Canadian Utilities Ltd.** In 1959, corporation's net income from these subsidiaries was more than $2 million out of total unconsolidated income of $2.5 million.

Company also has a substantial investment portfolio, including some Canadian pipeline stocks in which there has been heavy and continued buying recently.

Our Offer to the Shareholders of
The Toronto General Trusts Corporation
Expires January 20, 1961

Our offer to purchase, as agents, at $72 (Canadian) per share, all or any part of the shares of The Toronto General Trusts Corporation (other than those held by residents of the United States or its territories or possessions) expires 5:00 p.m. E.S.T. Friday, January 20, 1961, unless further extended.

Payment is being made immediately by cheque of the depositary, The Toronto General Trusts Corporation, Toronto, upon receipt of share certificates properly endorsed and accompanied by a completed Letter of Transmittal.

Copies of the offer and Letter of Transmittal may be obtained from any of our offices or through members of The Investment Dealers' Association of Canada or the Toronto, Montreal or Canadian stock exchanges.

Acceptance of the offer may be made to us through the branches of The Toronto General Trusts Corporation referred to in the Letter of Transmittal or through your own investment dealer or broker.

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Mead, Scott Paper to Own B.C. Forest Stock Jointly

MONTREAL (Staff) — One million outstanding shares of **British Columbia Forest Products Ltd.** have been transferred to **Brunswick Pulp & Paper Co.**, Brunswick, Ga.

The shares, which constituted 29% interest in B.C. Forest held by **Scott Paper Co.** and its subsidiary, **Scott Canadian Timberlands Ltd.**, were exchanged by Scott for 100,000 Brunswick shares at $100 each and a cash payment to Scott of $5,530,000.

This indicates an effective price of $15.53 (U.S.) for each share of B.C. Forest. Scott paid $15 (Can.) per share for the shares Nov./55.

B.C. Forest traded in 1960 at a high of $14½ and a low of $9¾. Recent price: $13.

Brunswick's other joint owner, **Mead Corp.**, paid $10 million cash also for 100,000 Brunswick shares.

Net profit of B.C. Forest was $3,535,044 for year to Sept. 30/60 ($3,224,503) equal to $1.03 ($0.94) per share.

EDUCATIONAL PROGRAM

An educational program by the Envelope Makers Institute of Canada will outline successful case histories in direct mail advertising. To receive the series of mailings, write **Garrett-Hodson Ltd.**, 47 Colborne St., Toronto, which has been retained to prepare the program.

ANNOUNCEMENT

ROYAL BANK APPOINTMENT

J. E. MORGAN

The Royal Bank of Canada recently announced the appointment of J. E. Morgan as Supervisor of Investments at Head Office. Mr. Morgan has been a member of the bank's Investment Department since 1947. F. E. Case, formerly Supervisor of Investments, and since February 1960 an Assistant General Manager, now takes over new executive duties of a general administrative nature.

TSE Head Airs Problems On Primary Stock Issues

Toronto Stock Exchange has a problem in trying to supervise or control primary issues, its new president, Howard D. Graham, told the TSE Staff Association this week.

"The Ontario Securities Act has been a great help in this field. The stock exchange has done much to eliminate and discourage the cheap, unprincipled, dishonest promoter," he said.

"It is too early for one to say whether or not the exchange can tighten regulations or in some other way do more than is now being done to raise the standard of trading practices in these speculative issues. I hope that something more may be done," he added.

But, if people persist in trying to "get rich quick" by speculating in cheap stocks, buying because of rumors, or because of high pressure salesmen, because they see a stock moving in volume, then they probably will continue to lose their hard-earned dollars no matter how stringent the rules of the stock exchange may be, he said.

"The person who does speculate must have a fair run for his money. This has not always been the case. We must stop—surely there must be a way to stop — manipulation of the market."

Saying that there are more funds on deposit today in Canadian financial institutions than ever before, he asked "why should some of these millions not be invested in good stocks or other securities.

"I believe that many millions would be invested if the public had more confidence in the stock market — more confidence in the brokerage fraternity—more confidence that they were going to get a fair deal."

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MacNab Buys, Sells Stocks

MacNab's manager has sold his client's shares of **Falconbridge Nickel Mines Ltd.** and with the proceeds added three new companies to the portfolio — a trust company, an investment holding company, and a gas pipeline.

On Jan. 12, he sold 100 shares of Falconbridge at $39.25 a share, netting the account, after commission, $3,890. Cost price of the stock averaged $34.75 a share.

The same day, he bought 50 shares of **Guaranty Trust Co. of Canada** at $32.50; 100 shares of **Placer Development Ltd.** at $14.25; and rights to purchase a $1,000 convertible debenture of **Pacific Gas Transmission Co.**, at par. This debenture is convertible for 10 years into 70 Pacific Gas shares at $14 2/7 per share (recent market: $15.13). Price works out to roughly $3 premium per share over the conversion price.

Total outlay, plus commission, was $3,318.25.

As a result of these transactions, MacNab's cash balance has been increased by $571.75 to $586.71. His annual income is up $5 to $1,787.

A detailed statement and comment on these changes in the MacNab portfolio will appear in the manager's next regular report.

For a report on the other account in **FP**'s managed investment series — Compton — see p. 38.

Here's How Saskatchewan May Handle Its New Bonds

From Our Own Correspondent

REGINA — Full details of Saskatchewan's proposed $4 million-$5 million savings bond issue will not be available for some time.

Members of the financial community have been consulted and until all replies are studied, decisions on details will not be made.

Financial observers in Regina are cautiously optimistic about this venture.

It is felt that since the issue will not be sold to investors outside the province, hitherto untapped savings may be directed into it.

British Columbia's success last year with a similar type issue of bonds has been encouraging.

It is hoped that this type of security, offering a slightly better yield than Canada Savings Bonds, may appeal to the ultra-conservative investor, and to those who have not yet become bond-conscious.

This would include many farmers.

It is likely that credit unions, as well as banks, will recommend the issue to clients, and take applications.

Aim is to provide an instrument similar to Canada Savings Bonds.

The money will be used to provide additional funds to the government for investment in **Saskatchewan Power Corp.**, Saskatchewan Government Telephones and other activities.

The limit that may be purchased by one investor has not been disclosed. However, the bonds will be fully registered and probably non-transferable. Interest payments will be made by cheque.

Bonds will start at $100. They will be redeemable at any time at par plus accrued interest over the expected 10-year life.

It is thought that interest rate may be scaled upward over the term.

Rate will be about one-quarter of 1% above that prevailing on Canada Savings Bonds, if held to maturity.

Announcement of the new issue was made by Provincial Treasurer Woodrow Lloyd shortly after he had made a critical statement about the pre-Christmas "baby budget" which will make borrowing in the U. S. more expensive.

Saskatchewan has been going to the U. S. market for money quite frequently in recent years. Of the $364 million the province has outstanding in bond issues, $177 million was floated there.

It is unlikely that the size of the issue, which is planned to become an annual event, will be enlarged much.

Reason is that its redeemable feature might become embarrassing.

For example, it is conceivable that a future Canada Savings Bond issue might prove more attractive and cause a "roll over."

A bad crop year too, could cause many farmers to cash in their bonds.

While the issue breaks new ground, some of its features are not new in the province.

Certain farm loan debentures issued in the 1930s carried a provision allowing holders to redeem at par on 90 days' notice. These were, however, transferable and moved to some extent with the market.

Pipeline Firm Plans 8% Bond

MONTREAL (Staff) — Plans are progressing for a new issue of $900,000 8% sinking fund bonds of **Alaska-Yukon Pipelines Ltd.** due Dec. 15/79. Bonds will be offered at par by a syndicate headed by **H. C. Flood & Co.**

They will be callable at 110 for sinking fund or refunding purposes. Mandatory sinking fund provides for redemption of all by maturity.

Company operates a marine terminal installation at port of Haines, Alaska, and has petroleum storage, transportation and distribution facilities in the Yukon.

It acts as Canadian Government agent for operation of the Canadian portion of Canol Pipeline No. 4 from the Alaska border to Whitehorse. At present, company's facilities are used by **British-American Oil Co.**

Transformer Plant Opens

Reliance Electric & Engineering (Canada) Ltd., Toronto, this week opened a plant in Quebec City to manufacture and market electrical transformers.

The new division, called "Les Transformateurs de Quebec", employs some 40 persons. Company expects to find increasing markets as Quebec expands industrially, said Norman J. McCartney, vice-president and general manager.

Another plant is operated at Welland, Ont.

Reliance - Reeves - Master Ltd. has a plant at Stratford.

Both are subsidiaries of **Reliance Electric & Engineering Co.**, Cleveland.

Canadian operations are chiefly the manufacture of power and distribution transformers, wide range of ac and dc motors, motor-generator units and variable speed drives.

A recent Canadian development is an automatic tap-changing unit which is supplied with its transformer to change taps automatically while on circuit and fully loaded. The unit does this without interruption of the customer's service.

ANNOUNCEMENT

CONTINENTAL CAN COMPANY APPOINTMENT

G. L. URSAKI

Appointment of G. L. Ursaki as General Manager of Sales, Converting Operations, has been announced by W. G. Cowan, Vice-President and General Manager of Gair Paper Products, a Division of Continental Can Company of Canada Limited.

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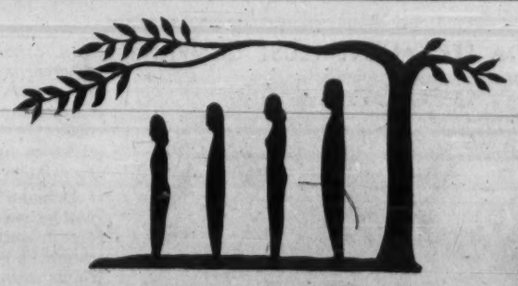

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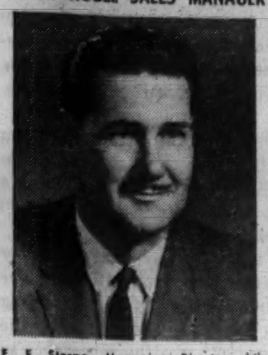

F. E. Sterne, Managing Director, Atlas Powder Company, Canada, Ltd., Brantford, Ontario, announces the appointment of John A. Noble, B.A.Sc., P.Eng., M.C.I.C., as Sales Manager.

Mr. Noble's experience enables him to speak with authority on Atlas products including emulsifiers, surfactants, polyols plasticizers, polyester resins and activated carbons and to supervise Company offices in Montreal, Toronto and Vancouver.

TOBACCO EXPERIMENT

Acreage of tobacco farming in Nova Scotia is expected to increase from 20 acres in 1960 to about 50 acres in 1961. It's an experimental program which the provincial government says points to distinct possibility of commercial production. There are 5,000 acres in Nova Scotia said to be suitable for tobacco output. This year, tobacco plants were imported from Ontario but next year locally produced plants will be used in the program.

ANNOUNCEMENT

KARL V. LINDELL

Karl V. Lindell, B.Sc., P.Eng., Hon. D.Sc., Vice President and General Manager of the Asbestos Fibre Division of Canadian Johns-Manville Co., Limited, Asbestos, P.Q., has been elected President of the Quebec Asbestos Mining Association for the fourth consecutive term.

Shop & Save Consolidates Subsidiaries

MONTREAL (Staff) — **Shop & Save (1957) Ltd.** has acquired the minority interest in 14 of its subsidiaries and is making corporate changes to effect savings in operating expenses.

Each of the subsidiaries has been operating a single store under the Shop & Save banner. Ten of the stores will be involved in mergers and four will be incorporated into the structure of the parent company. Eventually all will be acquired by the parent.

New store opening next week will boost number of S & S retail outlets to 26 — six already consolidated with the parent company.

Retail operations will not be affected by the corporate changes.

Company holds the IGA franchise for most of Quebec. Operations for the year to March 25/61 are expected to show improvement over a year earlier when sales were $30.9 million and net profit $272,655 (33c a share).

Bell Would Raise Funded Debt Limit

MONTREAL (Staff) — Shareholders of **Bell Telephone Co. of Canada** will be asked March 9 to approve a by-law authorizing directors to issue new debt securities to a total of $200 million.

The proposed bylaw, which requires two-third affirmative vote, limits principal amount of any one bond or debenture issue to $50 million.

At Sept. 30/60, company's outstanding long term debt was $545 million. Its charter allows it to go as high as $1,000 million.

ANNOUNCEMENT

GSW ACQUIRES EASTERN STEEL PRODUCTS

Mr. S. J. Randall, President and Managing Director, General Steel Wares Limited, today announced the purchase of all dies, tools, machinery and manufacturing equipment of the Eastern Steel Products Company of Preston, Ontario, division of Hamstell Corporation Limited for the manufacture of Hollow Metal, Kalamein and Fire Doors, Pressed Steel Frames, Toilet and Office Partitions.

This will enable the company to round out and make available to the architectural and construction industry a more complete line than previously offered to the trade.

All operations will be immediately transferred to General Steel Wares' London plant and will provide more employment in the London factory.

FP reports on WHY THEY'RE MOVING

By P. T. DURRANT

CORPORATE MARRIAGES and take-over bids — always a popular item of speculation among investors and speculators —got off to an early start this year. Three take-over bids for Canadian companies have been announced in the last week, two by other Canadian companies, one by a U. S. incorporated firm.

If all the offers win 100% acceptance (managements of the firms sought have endorsed the offers), three listed stocks will disappear from Canadian stock exchange boards. Shareholders of all three will, however, get shares in the firms making offers.

Unlike recent offers for trust company shares, where cash payments considerably above the market price of the shares were made, market price of the stock being offered in the latest bids closely approximates that of the stock being taken over.

Dominion Tar & Chemical will offer 2½ common shares for each share of **Howard Smith Paper Mills.** Based on recent market price of $15½, 2½ Dominion Tar shares are worth $38¾, compared with Howard Smith's market value of $38½ per share. Both stocks had been climbing prior to the offer, Dominion Tar from $14¼, Howard Smith from $35, but prices were easing at mid-week.

Dominion Tar already has 61.6% interest in the paper firm. It will have to issue an additional 1,781,973 shares to acquire the outstanding Howard Smith shares not already owned. This will raise issued capital to 8,587,905 shares.

Increase in Dominion Tar's dividend rate to 80c a year (previously 60c) will sweeten the offer. It will mean a two thirds increase in annual dividends for Howard Smith shareholders who accept—$2 per share vs. their present rate of $1.20 per share—and will boost yield on their investment (at current prices) to about 5% from 3%.

Shareholders of **United Steel Corp.** (recent price: $7⅛, up almost $1 this month) will be offered one $10 par class B preferred share of **Bridge & Tank Co. of Canada** for each share held. Offer is subject to creation of one million new class B shares by Bridge & Tank, and to acceptance by at least 90% of United Steel shares outstanding (Bridge & Tank will invoke Sec. 128 of the Companies Act to acquire any shares not deposited, if necessary).

New class B shares will have a 6% dividend rate and will rank junior to the class A preference shares. Company will have to issue 575,430 to get all United Steel's outstanding stock.

For United Steel shareholders, the exchange will mean a resumption of dividend payments —they haven't had any dividends since 1959 when 40c per share was paid (80c in 1958). At recent market price of United Steel stock, payout on the new class B shares would give a yield of 8.42%.

In the third bid, **International Utilities Corp.**, New York, will offer one $2 convertible preferred share (recent price: $42½ up $1 this month) for each two common shares of **Northland Utilities** ($19½, up slightly this month).

The U. S. firm plans to establish its principal office in Canada, to relieve it of the Canadian withholding tax on dividends from its Canadian subsidiaries, increased last month from 5% to 15%. News of this move bumped the common stock nearly $2 to $37¾. Canadian shareholders benefit most, through dividend tax credit and elimination of withholding tax on dividends, over and above company's savings.

For Northland shareholders, the share exchange will also mean bigger dividends. Northland paid 60c per share in 1960; or $1.20 for each two shares, compared with International's preferred stock rate of $2 (U. S.) a year.

* * *

Meanwhile, speculation that **National Trust Co.** might be the next trust company target for take-over was punctured by a company denial that any such move was planned. Stock, which had climbed from $65 to $81, tumbled to $71⅝ this week.

National's net earnings rose 6.6% in 1960 to $2.14 per share ($2.01 year before).

Common shares of **Acadia-Atlantic Sugar Co.** have surged ahead from $14½ to a high of $18⅞ this month in heavy trade (nearly 41,000 shares last week). Recent price: $18. Class A stock is up slightly at $20.

Strength in the common reflects estimates of higher 1960 profits. Last fall company reported that year's results would reflect unusually favorable (but not necessarily recurring) profits on raw sugar operations (FP, Nov. 26/60).

"Impact on earnings will be of major importance to common shareholders," Chairman J. A. Gairdner said.

There is no foundation to rumors that an offer may be made for Acadia-Atlantic's shares, a company spokesman told FP this week.

Early this week it was announced that **Denison Mines,** Elliot Lake uranium producer, would acquire 30% interest in **Lake Ontario Portland Cement** through purchase of 750,000 shares at $2.25 per share, plus an option on 350,000 shares at $3 per share. The deal is subject to approval of Lake Ontario Portland shareholders.

Lake Ontario Portland (over the counter) has been selling around $3 recently, up from $2.50 three months ago, and about $1.50 in August /60.

Recent sale of 27,000 common shares at $6½ of **Fittings Ltd.,** Oshawa manufacturer of iron and brass fittings, is reported to have been a private sale. FP understands that no change of control is involved in the transaction which covered about one third of the outstanding common stock.

Shares of **Dominion Corset Co.,** trading in less than board lots, have moved up from $15½ to $16 this month. Company says 1960 operating results were "good" and were better than 1959's net of $1.28 per share.

* * *

Dividend increases by chartered banks have been led off this year by **Bank of Montreal** and **Royal Bank of Canada.** Montreal has upped its quarterly rate to 45c (previously 40c) while Royal will pay 55c quarterly (52½c).

Stocks of both banks were slightly firmer at mid-week: Montreal at $60⅞, Royal at $74⅛.

Dividend news wasn't as good for shareholders of **General Steel Wares.** Company will omit 10c quarterly payment usually made Feb. 15. Quarterly dividends of 10c have been paid regularly since Aug. /54. GSW stock slumped over $1 to $7 on the news, later recovered to $7⅝.

A letter to shareholders says heavy depreciation allowances have been taken and non-recurring expenditures for new capital additions and product lines were written off in company's reorganization and rehabilitation program. They will continue to some extent in the future. Final figures for 1960 are now expected to show a sharp decline in earnings (company earned $1.08 per share in 1959) and perhaps a net loss.

Earlier (FP, Dec. 3/60) GSW President S. J. Randall had said that company would show a profit in 1960, but that it would probably be down from the year before.

Hiram Walker-Gooderham & Worts also touched a new high —$39⅜—later eased to $39. Market price has risen nearly $1 this month. Company has reported a 6% gain in net earnings for quarter ended Nov. 30/60 (98c per share vs. 92c year before) and says it has provided for the increase in withholding tax on transfer of earnings from U. S. subsidiaries resulting from last month's budget.

* * *

BRIEFLY: Beer stocks have been strong performers recently. **Canadian Breweries** gained $1.50 to new high of $45¼, before slipping to $44 at mid-week. Company later reported an 11% gain in 1960 earnings (bigger number of shares outstanding cut per share net to $3.25 from $3.62). **Dow Brewery,** a light trader, moved up $1 to a new high of $46½, then retreated to $45. **John Labatt Ltd.** rose a major fraction to high of $32¾, settled for a smaller gain at $32¼ at mid-week.

Dow Brewery Net Down 12%

MONTREAL (Staff) — Net profit of **Dow Brewery Ltd.** for fiscal year to Oct. 31/60 was down 11.8% to $3,001,030.

Earnings per common share were $3.89 ($4.45).

Chairman Wilfrid Gagnon and President J. A. Desrochers said sales were maintained. But higher costs reduced earnings.

This year's capital expenditures, including purchase of **O'Keefe Brewery** in downtown Toronto, are estimated at $6.3 million. Last year's capital additions were $1,279,696.

Acquisition of Toronto plants triples company's Ontario capacity. Operations are to start in February.

Note

By VINCENT EGAN

ONTARIO HYDRO'S $50 million issue this week was generally considered to be ungenerously priced, offering no concession to prevailing markets. But initial demand proved good, and prices of outstanding provincials jumped as much as half a point after the Hydros appeared.

As usual, investors had their choice of two maturities, with most favoring the 20-year 5½% bonds at 97 yielding 5.75%. The 10-year 5¼% bonds, at 99, yield 5.375%. Orders from the U. S. were said to be light.

Banking group was headed by **McLeod, Young, Weir & Co.**

* * *

Proceeds of this week's $100 million offering of Canada short-term bonds will be used to restore cash used by the government in recent months to buy $100 million of the 3% bonds maturing May 1. These will be cancelled.

Bank of Canada is taking $50 million of the new issue in exchange for the same amount of the May 1 maturity.

The new 4% bonds due May 1/64, at 98½ to yield 4.50%, appear to be designed for bank and trust company portfolios.

* * *

Rumors suggest an early offering of $15 million 20-year bonds of **Irving Oil Co.,** with a coupon around 6% and probably priced at a discount . . . Also believed to be imminent are issues by **Consumers' Gas** and **Shawinigan Water & Power** . . . An officer of **Alberta Gas Trunk Line** said that company is reassessing its plans for a $50 million first mortgage bond placement in the U. S., since yield would have to be higher now than before the increase in withholding tax.

* * *

The **Pacific Gas Transmission Co.** debenture issue (FP, Dec. 17) will bear a 5½% coupon, and be convertible on the basis of seven common shares per $100 for 10 years.

Offering is $100 25-year debenture for each 16-2/3 common shares held Jan. 11, and will total $13,260,000 (U. S.).

* * *

Dominion Securities has sold at par $2.2 million 6¼% first mortgage bonds of **Salada Realty Ltd.,** a newly formed subsidiary of **Salada-Shirriff-Horsey Ltd. . . . La Maison Bienvenu Ltée.** offering $750,000 7% first mortgage serial bonds of **Simco Enterprises Co.** at par. Simco has undertaken a number of real estate developments in Quebec . . . **Banco Finance Ltd.,** a Vancouver dealer in mortgages and agreements for sale, has issued 50,000 Class B npv shares at $3.35.

* * *

Coupon is to be 8% on a $900,000 offering of **Alaska-Yukon Pipelines Ltd.** 19-year sinking fund bonds at par by a syndicate headed by **H. C. Flood & Co.**

* * *

When Canadians are given the opportunity to invest in **American Motors (Canada) Ltd.** — possibly two years from now — it may be in the form either of an equity issue, or of a debenture issue with stock purchase warrants, according to Earl Brownridge, executive vice-president and general manager.

* * *

Brazilian Government Trade Bureau (551 Fifth Ave., New York 17) has just published a 44-page booklet, A Guide to Investing in Brazil, outlining exchange regulations, business organization, labor laws, taxes, marketing and trade practices.

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January, 1961

Clear Sailing on the Columbia

It's now up to the historians to decide if Canada's arrangement for developing Columbia River power was the best one obtainable from the U. S. and the best for meeting British Columbia's long-term power needs.

After 16 years of Canadian tenacity, during which the U. S. yielded on most points vital to Canadian interests, the international agreement on the Columbia development seems to be in the bag.

There is, however, little doubt that the final form of the treaty has been decisively shaped by the zigzagging diplomacy of B.C.'s Premier Bennett—and that progress on the scheme now rests very much in his hands.

Thoughtful people will not quarrel with Bennett's desire to drive the best bargain he can, nor with his right to judge what is best for his province.

But surely B.C. will be the loser if the premier's interest in the Peace River grail delays the Columbia projects.

We refer to the enquiry by the B.C. Energy Board into the costs of developing Peace and Columbia together. The Columbia projects will pump new blood into Canada's economic arteries. Fussing about the Peace now, when it's still not needed for 15 or 20 years, could slow that much-needed infusion.

Under the new Columbia arrangement, Canada will build the Arrow and Duncan Lakes dams within five years. This will provide all the power that B.C. can absorb at the time at minimum cost (less than $100 million for 700,000 kw of firm capacity). Through 1965-69, Canada will spend another $200 million to $300 million to build the Mica dam to produce another 1 million kw of downstream benefits and on-site capacity.

Then, and only then, should the value of the monumental ($600 million up) Peace projects be assessed, in terms of B.C.'s demonstrable power needs after 1970, and the capacity of the Peace to compete with such other energy sources as gas, coal and nuclear power.

We now have the bird in the hand. No heavy-breathing scrutiny of the specimen in the bush is necessary or advisable at the moment.

Summitry in the Continental Cage

As John Fitzgerald Kennedy walks into the White House this week, he must cope immediately with the Cuban, Laotian and Congo crises—and make a start on the other urgent problems at home and abroad which impatiently await his arrival.

He needs, in brief, time to get his domestic ducks lined up and handle some of the Eisenhower chickens that have come home to roost.

By early spring, though, there should be some major action on the Canada-U. S. front.

The next session of the Canada-U. S. cabinet-level Economic Committee must be held by then. What more ideal time could there be for Kennedy-Diefenbaker talks?

Coinciding with the Economic Committee parley, such a meeting would surely add needed prestige to the somewhat tarnished reputation of that organization—and Kennedy himself has called in the past for more active Canada-U. S. consultations.

The new President has little detailed knowledge of Canada-U. S. trials and tribulations. But he has a razor-sharp mind whose quick comprehension of problems stands head and shoulders above that of Eisenhower, Truman, and perhaps even Roosevelt and certainly above that of Hoover, Harding and Coolidge.

He is aware of our concern about various aspects of Canada-U. S. relations and that very awareness can be stimulated into understanding if we make an effective pitch to him.

Kennedy, however, is a fast-moving young man and so are most members of his cabinet. They have a tremendous load to carry. They are in a hurry.

If we want to sell our Canadian case to them, we'll have to make it short, sharp and incisive without any diplomatic lah-dee-dah designed to spare feelings.

We must, as Kennedy himself has said, have full and frank discussion, "even when that discussion may jar sensitive ears on the other side of the border."

Whose Business is What?

"At some point," says a U. S. news magazine, "you quit compromising on policy and put your foot down. That, close associates reveal, is a key to the way incoming Secretary of State Dean Rusk will handle questions such as Algeria . . ."

Just as a matter of interest, what formula will guide Gen. de Gaulle's foreign minister in handling questions like segregation in Georgia? And when will he put his foot down?

Export Building Know-How

"Eventually, we shall have to face up to what is perhaps the most vital of all requirements for our long-run economic survival: That our so-called domestic manufacturers, and not merely our traditional exporters, get out and sell at world prices in the world market."

This comes from W. E. McLaughlin who, as president of Canada's largest bank, the Royal, is knowledgeable indeed about the opportunities and benefits of doing business abroad.

His remarks might well be considered very seriously by many Canadian businessmen, but they deserve special attention from a powerful group meeting next week in Toronto—Canada's construction men.

These men represent a $7 billion industry employing nearly 600,000 workers, using materials valued at $3.5 billion annually—and what they produce accounts for a remarkable 21% of this country's gross national product.

But this year they will be tackling the greater-than-ever problem of excess capacity, a higher rate of bankruptcy and leaner profits.

What better topic is there for discussion than the risks and advantages of the overseas market?

With such projects as the Warsak dam in Pakistan, the Khulan newsprint plant, also in Pakistan, and the Bombay reactor in India, Canadian construction men have shown what they can do. They have the skills and experience to handle any type of project anywhere. In some specialties, such as winter building, their knowledge is unsurpassed.

There are, admittedly, many difficulties in doing business abroad. But, as Jack M. Soules, Canadian Construction Association president said last week, most of these difficulties are no worse than those which pioneering construction men have faced here.

McLaughlin of the Royal Bank says that to cure Canada's "high-level stagnation", we must avoid, except as purely temporary measures, all forms of cost-inflation make-work schemes—the traditional moves that have, in the past, helped the economy by helping the key construction industry.

There would seem to be much point and much profit in bringing together the banker and the builders.

When Investing Abroad

It used to be thought in Britain that "an overseas enterprise should be a 100% subsidiary of the British parent company" but today "this concept is outmoded". So declares Val Duncan, managing director of Rio Tinto, London, England, a company with world-wide mining interests.

Duncan has found that countries are "inclined to resent" exclusion from investment in their own industries. They want a chance to participate in the equity of businesses they see operating in their market. It's becoming the usual British practice to give them this opportunity.

U. S. practice differs, Duncan notes.

"I believe that generally in the U. S.," he says, "it is still thought desirable to retain 100% control. . . . In the case of Cuba, one wonders whether things might not have been a little easier if, instead of owning nearly all their interests in Cuba 100%, Americans had given the opportunity on a broad scale to Cubans to invest . . . as minority shareholders. Time will tell which is the better pattern."

It would be more accurate to say that time has already passed judgment. The British are old hands at foreign investment. Their experience, as described by Duncan, should be a useful guide to newer arrivals in the field.

There's Room for Originality

Has the young science of motivation research, M-R, led manufacturers up a blind alley to pointless, profitless uniformity in packages, styles and advertising messages? Writing in Harvard Business Review, Theodore Levitt suggests that M-R has done just that.

Leading brands of liquid cleaner are all promoted by putting an image of muscle, magic and masculine virility in the housewife's mind.

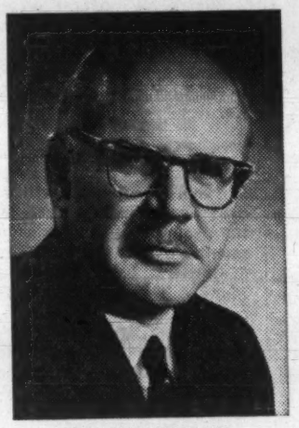
To suggest freshness and coolness, mentholated cigarettes all appear in green-tinted packs and are advertised with pictures of waterfalls, forests and verdant pastures.

Every compact car has a name suggesting vitality, youthfulness and romantic valor; and what is more, each one is advertised as the biggest compact on the market or the one with the biggest this, that or the other gadget.

If M-R is an exact science—and it's modern enough to use computers—there's nothing surprising in these facts. All practitioners of an exact science will come to the same conclusions.

But the point is that a selling pitch loses all its value if it's identical with a competitor's pitch. In this field of endeavor there's still room for a little unresearched originality and plain guesswork.

Post Scripts



MR. McLAUGHLIN

To Greater Efficiency

The appointments of W. Earle McLaughlin as president and chief executive officer, and Charles B. Neapole as general manager, assure the Royal Bank of dynamic leadership.

The largest of Canada's nine chartered banks and sixth biggest in the world, the Royal has $4,296 million in assets and some 1,000 branches, stretching across Canada, in the West Indies, South and Central America and in London, Paris and New York.

To McLaughlin, who is only 45, banking is more than a profession. It's a way of life. He has tremendous enthusiasm for his job and a carefully balanced judgment and understanding in human relationships. Stocky, erudite, he has an easy, incisive manner.

Born in Oshawa, Ont. he majored in economics (gold medalist) and history at Queen's University (B.A., 1936) and joined the bank the same year.

Like his predecessors, James Muir and Madison W. Walter, he came to the bank's top post through the ranks. "My first job," he recalls, "included sweeping the vault floor." Service at various branches in Ontario led quickly to the general manager's department in Toronto, then a stint in London, Ont., finally to the head office in Montreal.

The scope of responsibility widened. He became assistant to president Muir and, in Feb./60, was appointed general manager.

He gives vigorous attention to community affairs, especially the St. John Ambulance (a Knight of Grace), McGill Associates (past chairman), Queen's University (trustee, elected Nov./60) and Bishop's University.

His favorite recreations, when time permits, are golf and curling. Clubs include Engineers, Royal Montreal Golf, Curling, University, Mount Royal and Forest & Stream.

Married to the former Ethel Wattie of Toronto they live, with their son and daughter, perhaps fittingly in the Town of Mount Royal.

Charles Neapole has devoted his whole business career to the Royal Bank. Born in Pembroke, Ont., on May 20, 1905, he joined the bank there after graduation from Pembroke High School.

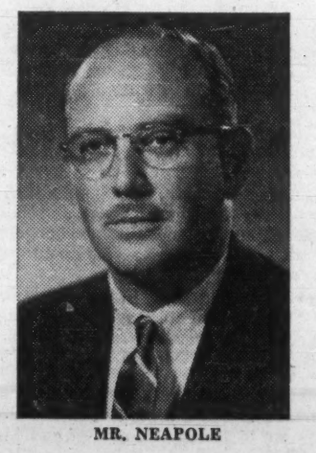
He served at a number of branches in Ontario and Quebec, with the supervisor's department, Vancouver and with the inspection and credit departments at head office. Neapole became general inspector, head office, in 1946, manager of Montreal branch in 1949 and assistant general manager in 1951.

Keenly interested in aquatic sports, he used to be stroke with the Lachine Rowing Club's heavy crew. While in Ottawa with the bank, he was a member of the Ottawa Rowing Club.

A past commodore of the Royal St. Lawrence Yacht Club, Neapole owns a 32.5 ft. sloop, built in Pictou, N.S., which occupies most of his leisure time in summer. Combining his love of boats with his ability to use carpenter's tools, Neapole has built three small boats, one of which he uses as a tender.

Charles Neapole is a member of the board of governors of Sir George Williams University, a director of the Engineers Club of Montreal and honorary treasurer of the Canadian Forestry Association.

He is married to the former Florence Gould of Granby, Que. The couple have three children—Robert, a mechanical engineer; Elaine, a secretary with the Canadian National Railways; and William, an arts student at St. George.



MR. NEAPOLE

$100 Million Orders

An important part of Marc-Henri Lamoureux's new job as president of the crown-owned Canadian Commercial Corp. will be to promote more defence production sharing for industry in Canada from the U. S. and other governments.

Placing contracts in Canada on behalf of foreign governments has been the corporation's chief function since it was established in 1946.

Virtually all transactions are for procurement of military stores or services. Exact figures aren't known because some operations are classified. But in the last fiscal year (1959-60) it placed $50 million worth of U. S. military contracts with Canadian companies and $5 million worth on behalf of the U. K.

Total volume of business is believed to exceed $100 million a year.

Montreal-born Lamoureux comes to his new post from a career as a marine surveyor and master mariner. A decorated Knight of Malta, a graduate of Laval College, he is 43.

Following World War II service in Canada's merchant marine, he was fleet superintendent of Acadia Overseas Freighters Ltd. and Hall Corp. of Canada.

When appointed to succeed the late W. D. Low, he was practising as an independent marine surveyor, admiralty court assessor and ship owner's representative.

He married the former Lucille Pessl of Montreal. They have two children, Ginette, 13, and Marc-Henri, 8.

MR. LAMOUREUX

One Eye on Tomorrow

Now that the dust has settled again in the Ottawa Coliseum, it is possible to assess more clearly precisely what the Liberals are planning to do if elected.

Here is an analysis of what would be likely on the spending front by a member of FP *staff who was there.*

By JEAN EDMONDS

Inflation if necessary—but not necessarily inflation.

This seems to be the attitude to government spending and money policy that emerges from the Liberal rally at Ottawa.

There's no doubt that party brass favors an expansionist policy now and considers inflation no immediate danger. Tax cuts, easier money and lowered interest rates were urged in all the speeches and "position papers" dealing with the current economic situation.

But there's an interesting reluctance to carry this very far into the future.

Most of the anti-recession programs proposed carry an automatic cut-off. Tax cuts are described as temporary. Unemployment benefit increases and retraining allowances would drop as employment increased. And methods of financing the major spending programs—such as the health plan—are left conveniently vague.

The proposal for direct payment of medical bills by government with no contributions from the public is described as "one method" of financing health care.

A Liberal administration taking office in a period of inflationary pressure could introduce a high scale of contribution payments as an anti-inflationary measure without flouting the "guidance" offered by the resolution on health care. Even the timing can be varied according to circumstances.

Just about the only program with a time limit is the guarantee of a national flag within two years. This is a plan that buys votes at very small dollar cost.

This is not to suggest that the party policies emerging from Ottawa are mere window-dressing. But reading the fine print does indicate that the party brass has a healthy reluctance to commit the party even to "guidance" that involves heavy sperding regardless of conditions at the time it takes office.

In the final speech of the rally, Liberal leader Pearson summed up the position this way:

"At this conference we have been intensely concerned with the emergency of unemployment. We have recommended, as we Liberals did in Parliament, forthright measures to deal with this emergency.

"They include tax relief to individuals; accelerated depreciation provisions for business; special measures for depressed areas. These are emergency measures. If they result—as they might—in a deficit, it will be a planned one for emergency purposes to be restored with a minimum of delay when the emergency is over and by the increased tax receipts from an expanding economy."

This attitude is not quite as far left—financially speaking—as some of the news which came from the rally would suggest.

"Quote-Unquote"

College of Physicians and Surgeons of Saskatchewan, Saskatchewan Division of the Canadian Medical Association, in a brief submitted to the Saskatchewan government-appointed committee studying the province's proposed program of compulsory prepaid medical care:

"We oppose compulsory participation for the public for the reasons very similar to those which compel our opposition to control or direction of the medical profession.

"The medical profession and the public accept compulsion or direction which is instituted for the purpose of protecting the interests of other citizens, e.g. contagious diseases.

"However, compulsory participation in a medical services insurance program is not directed at protecting the interests of other citizens. It is a demand upon each resident of Saskatchewan that he must submit to one single method, perhaps unacceptable to him as an individual, of protecting himself against the costs of medical services.

"The role of government should be one wherein it assists certain members of the community to obtain insurance against the costs of medical services, and that such insurance should be provided through existing private agencies which do not in any way direct the type of medical treatment which the patient receives, nor interfere with his doctor's decisions."

* * *

Dr. Marshal McLuhan at the American Marketing Association, Toronto Chapter's seminar:

"We have created a global village and transformed ourselves not into global citizens but into global yokels of the most apathetic and zombie-eyed variety. Madison Avenue has become a world symbol of our global yokel status."

* * *

Geoffrey H. Wood, president, G. H. Wood & Co., Toronto:

"People love to be sold—especially by those who evidently know their products and can enthusiastically demonstrate them. They admire a salesman who will take out time to see them at hours when the average salesman is either just thinking of starting, or has 'called it a day'."

* * *

Dr. A. E. Berry, general manager, Ontario Water Resources Commission:

"No progress, no existence, no high standard of living and human well-being is possible without water (and) polluted water is no better than no water at all where immediate human needs are concerned."

* * *

Marya Mannes, U. S. author:

"If a man has a cutting edge, he's called brilliant. If a woman has one, she's called bitter."

* * *

U. S. Senator Barry Goldwater of Arizona:

"In the debate over U. S. prestige abroad, what we have overlooked is that respect is what we should have been seeking, not love; the fact is, we should have been demanding it. The U. S. should begin acting like a world power and quit grovelling on its knees to inferior people who like to come to New York."

* * *

The Balance of Nature by L. and M. Milne:

"The progeny of each pair of rabbits, if unmolested, amounted in three years to 13 million individuals."

Stop Me If . . .

"Why don't you look where you're driving?"
"You want me to run over that blonde?"

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Jan. 21, 1961

What Gas Costs Householder

	Average use 1,500 cu. ft./month (e.g. water heating or cooking)		Average use 2,500 cu. ft./month (e.g.: water heating and cooking)		Average use 10,000 cu. ft./month (e.g. space heating only)		Average use 15,000 cu. ft./month (e.g. space heating and other uses	
	Monthly Bill	Av. Cost per Mcf	Monthly Bill	Av. Cost per Mcf	Monthly Bill	Av. Cost per Mcf	Monthly Bill	Av. Cost per Mcf
Union Gas Co.								
London and Windsor	2.235	1.49	3.2275	1.29	10.99	1.10	15.915	1.06
Brantford	2.37	1.58	3.49	1.40	11.75	1.175	17.13	1.14
United Gas								
Hamilton	3.40	2.26	5.00	2.00	13.625	1.36	19.375	1.29
Provincial Gas								
St. Catharines	2.23	1.49	3.28	1.31	10.78	1.08	15.78	1.05
Consumers' Gas								
Toronto — Water Heating	2.25	1.50	6.19	2.48	*15.075	*1.51	*20.825	*1.39
Cooking	4.69	3.12						
Lakeland Gas								
Cornwall	2.625	1.75	4.125	1.65	13.125	1.31	19.125	1.28
NONG								
Sudbury and North Bay	3.30	2.20	4.70	1.88	13.65	1.365	19.15	1.28
Twin City Gas								
Lakehead	3.10	2.07	4.40	1.76	12.60	1.26	17.60	1.17

*September to May, inclusive, only.

How Prices Changed

Average Cost of Natural Gas to Residential Customers per 1,000 cu. ft.

	1960	1959	1958	1957	1956	1955
B. C. Electric	1.35	...	...	1.35	...	...
Cdn. Western Natural Gas	0.47	...	...	...	...	0.38
Northwestern Utilities	0.48	...	...	...	...	0.35
Sask. Power Corp.	0.73	...	...	...	...	0.88
Greater Winnipeg Gas	0.90	...	...	...	...	...
Northern Ont. Natural Gas						
Western zone	1.19	1.16	...	...	...	...
Northern zone	1.29	1.28	...	...	...	...
Central zone	1.30	1.29	...	...	...	...
Consumers' Gas	1.51	...	...	...	...	3.39
Union Gas Co.	1.01	...	...	...	...	1.10
Quebec Natural Gas	1.91	1.99	...	...	...	...

GAS is Canada's fastest growing fuel — at 20%-a-year rate.

In 1959 (latest DBS), 15% of Canadian homeowners used gas, biggest share (54%) still going to oil.

But by the early 1970s gas will overhaul oil, leading gasmen claim.

The accompanying tables show cost of gas to residential consumers across the country.

Our Builders May Get RCN Subs Order

OTTAWA (Staff)—Canada's shipbuilding industry may soon get an RCN order for submarines.

The industry has already been approached, it is understood, to discuss whether it would be capable of converting to submarine construction.

It does not now build submarines.

If hopes of the Navy and the industry are realized, the order will be for about six conventional submarines.

They will most likely be of American design and cost in the vicinity of $15 million to $20 million each.

Defence Minister Harkness said this week the Navy has made a thorough study of submarines both for an anti-submarine role in the RCN and to furnish training for its other anti-submarine elements.

He stressed that no decision has yet been made.

But he said the Navy study has included "the matter of procurement, with particular regard to the feasibility of production in Canada."

The Navy is also believed to be considering purchase of perhaps a dozen new helicopters to beef up its anti-submarine role.

Tax Return Aid For U.S. Citizens Living in Canada

If you're a U. S. citizen in Canada, Internal Revenue Service men are ready to help you with your U. S. income tax form.

That applies also to alien residents of U. S. who are here temporarily.

Revenue Service representatives will be at the U. S. Consulate General in Toronto, Jan. 30 - March 10.

Interested persons should write for appointments to 360 University Ave. or obtain information by phoning EMpire 6-3553 after Jan. 30.

Deadline date for filing U. S. income tax returns is April 15.

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Cheaper Power Grid Plan Being Hatched

Ottawa has been silent on plans for a trans-Canada electric power grid (**FP**, Oct 15/60) since last fall.

But federal officials have been busy.

They have been preparing proposals, soon to come before the cabinet, for a "more flexible grid that will be less expensive than earlier studies indicated, and faster to build", informed sources in Ottawa tell **FP**.

The ministers will consider whether the federal government should enter the field of electric power transmission.

This is the important policy point to be decided.

For if the federal government decides to get into the business of wheeling huge blocks of power from one province to another — from one time zone to another — then Ottawa has assumed the role of financier and broker.

Ottawa sources say no single province or provincial electric power utility is going to finance the development of a vast power grid — or pay for the system studies required.

They concede that much work is being done now to connect provincial power systems with greater or lesser loads of power to be used for emergencies, and to satisfy immediate local power needs.

But this is not a national scheme designed to allow all of Canada to have large blocks of cheap power available at all times, they say.

Here's where Ottawa can come into the picture.

A system simulation study is needed to find out where direct or alternating current should be used; what voltages should be used where; what loads of power will be needed in the future for each area of Canada.

If Ottawa is going to organize this work, it must get agreement from the provinces and electric power utilities that the federal government is the best agency to do it.

Also, the federal government would require agreement of all parties on how much each would pay for the preliminary work.

Then, if Ottawa is to take the lead in building the power grid — expected to cost hundreds of millions of dollars — will all provinces be happy to have a federal authority "rent, or lease, or charge a toll", for power bumped from one area to another? the Ottawa sources ask.

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Treaty Spells Out Columbia Gains

OTTAWA (Staff) — Canada's gains in the final two rounds of international negotiations on the Columbia River this winter show up in the treaty, signed in Washington Tuesday.

Signers on the Canadian side were Prime Minister Diefenbaker, Justice Minister Fulton and A. D. P. Heeney, ambassador to the U. S.; on the U. S. side, President Eisenhower, and two cabinet members.

The treaty makes no substantial departures from the "principles" accepted by U. S. and Canadian negotiators as the basis of a treaty in September (**FP**, Jan. 14).

The structures, costs, power outputs and basic divisions of benefit are unchanged.

But there are minor departures from the "principles"; and some of the procedures left in mid-air in September are described in full in the treaty.

Here are some of the differences:

- **Flood control** payments to Canada are spelled out in the treaty — $52.1 million when the Arrow Lakes storage dam begins operation, $11.1 million when the Duncan Lake dam is operating, and $1.2 million when Mica storage is effective.

The first two dams are to be completed within five years of ratification of the treaty, the third within nine years.

The sum of Canadian receipts for "primary" flood control is the same as that contemplated in September. But the "principles" left the times of payment open.

Now we'll get $63.2 million in five years, another $1.2 million after nine. This will help with building of the storage dams.

- **Canada's position** in supplying "secondary" flood control service to the U. S. has been improved.

The three Canadian dams will store 21 million acre feet of water, usable either for flood control or power purposes.

Canada must operate 15.5 million acre feet of storage according to a joint Canadian-U. S. plan. Canada can use the balance of the stored water to generate power, largely as it wishes.

Under the treaty, Canada stands ready to provide secondary flood control (i.e., control of stored water beyond the 15.5 million acre feet committed) if and when the U. S. calls for it.

Canada is enttiled to charge $1.8 million for each of the first four "calls". This was contemplated in the "principles".

In addition, Canada is entitled to compensation (in cash on power, our option) for loss of power suffered through control of water on behalf of the U. S. beyond the 15.5 million acre feet committed in the treaty.

This is a U. S. concession not contained in the September "principles".

- **Canada's rights** and obligations on diversion of the Kootenay River are spelled out clearly in the treaty. On this, it's possible to argue that both countries gained and lost.

Most parts of the treaty are terminable after 60 years. If either country wishes to terminate, it must notify the other at least 10 years in advance.

But clause 13, which provides for diversions, isn't terminable after 60 years. It provides that:

- After 20 years, Canada has the right to divert 1.5 million acre feet of water from the Kootenay River into the Columbia to increase power production in Canada.

The U. S. has five years to decide whether to build the Libby dam on the Kootenai (U. S. spelling) River near Libby, Montana.

- If the U. S. doesn't exercise this option, Canada gets the right immediately to divert 90% of the Kootenay flow into the Columbia.
- Even if the U. S. does exercise the Libby option, Canada has the right at the end of 60 and 80 years to make major diversions of the Kootenay into the Columbia.

The treaty, approved both by Victoria and Ottawa, calls for operation and control to be vested in "entities" to be designated by the U. S. and Canadian governments. Diefenbaker said that the B. C. Power Commission will probably be the Canadian "operating entity".

Ottawa and Victoria still haven't agreed on arrangements to finance the Columbia dams.

Publications Commission Begins Its Final Session

OTTAWA (Staff) — The O'Leary Royal Commission on Publications prepared to wind up its public hearings with rebuttal sessions here this week.

Its aim is to turn in its report to the government by March 15.

In an opening-day appearance before the commission — drawing interested crowds as it met in the Parliament Building's railway committee room — Henry Luce, editor-in-chief of Time magazine, said his publication's "whole interest is to render a service to our subscribers."

But he agreed with commission Chairman O'Leary that Time Canada is not a Canadian magazine.

Mr. O'Leary said this was his objection to Time's submission — that it claimed it was a Canadian magazine when it demonstrably was not.

O'Leary said the commission has no desire to "do anything to the Americans."

Nor had it any intention of helping build up a monopoly for any Canadian magazine or publishing company.

But it had the very real problem to solve of proposing means of ensuring that vital Canadian political, social and economic questions would be discussed in periodicals shaped by Canadians, who understood Canada's peculiar problems better than outsiders.

How could this be ensured if foreign periodicals were allowed to compete Canadian publications out of business?

Mr. Luce said: "I do not consider Time a Canadian magazine. I consider it to be a magazine which serves Canada."

He said Time serves Canada primarily in an informational capacity.

This left what he referred to as the prophetic and critical roles open to Canadians.

Because Time "isn't a Canadian magazine" it could not serve up the vision of Canada before Canadians — developing the national consciousness.

Of course, he said, not everyone would have the same "vision".

"One man's vision is another man's nightmare."

Nor could Time fulfill the critical role, which O'Leary had said is essential to Canadian development, because it would be "presumptious of a foreigner" to be too critical of any but his native land.

"If you ever have an H. L. Mencken, he'll have to be Canadian."

What is to be done then, asked O'Leary, if a magazine that does not perform these vital functions puts out of business a magazine that does?

Mr. Luce said it should not be presumed that one magazine must be "put down" to keep up another. The more magazines in a country, the stronger its whole magazine industry.

Later at a press conference, Luce said "We (Time) must be primarily concerned" in seeing that the commission realizes that "penalizing Time is not necessarily the way to get to where they want to go."

TEACHERS HONORED

Joint winners of the mathematics and science teacher awards of the Association of Professional Engineers of Ontario are J. Hugh Burwell, vice-principal of Ridgemont High School in suburban Ottawa, and L. A. Smith of Harbord Collegiate, Toronto.

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Concrete Blocks The Limousine Way

By VINCE LUNNY

MONTREAL (Staff) — A three-year-old, rapidly growing Canadian enterprise, **Pacific Equipment Co.**, will take a big stride forward soon when it starts making the **Gene Olsen Corp.** line of concrete block manufacturing machines.

The Olsen company, known as "Go Corp.", is based in Adrian, Mich.

This development is a result of a tariff hike from 7% to 22.5% in November, 1959, when Ciematic Ltd., Scarborough, Ont., claimed 10% of the Canadian market. The machines then became "of a class or kind manufactured in Canada."

Founded by Bill Jones three years ago, when he was in his late 20s, Pacific Equipment Co. was supplying allied equipment to cement products plants in Quebec, the Maritimes and Eastern Ontario.

Because of the increased tariff on imported equipment, company began fabrication of production machinery, including cement block making machinery, in 1960.

"We weren't quite ready for the move," said Jones, formerly in the manufacturing and sales end of the concrete products industry with **Richvale, Block Supply Co.**, Richvale, Ont. "But having to move quickly is a challenge and it is by meeting challenges a company grows."

JONES

Jones started in a basement office, now occupies a sparkling new plant in Ville St. Pierre, a west-end suburb of Montreal.

He has seen his sales double every year since inception of Pacific Equipment. In 1960 they were $500,000. **Target for 1961:** between $750,000 and $1 million.

His own company's concrete block manufacturing machine, introduced last year, was well designed, he said, "but it was a flivver."

Jones describes the Olsen equipment as the "limousine line." It is bigger, more expensive and is "built to last a lifetime."

Indications are other U.S. manufacturers will either license Canadian companies to make their machines and parts or set up manufacturing facilities in Canada.

Parts are now imported for eight different U. S. models of concrete block making machines. Because of the abrasive material used, parts on block machines wear out faster than most industrial equipment. Thus value of parts sold substantially exceeds the amount spent on machines themselves.

A company like Bill Jones' Pacific Equipment sells more rebuilt machines than new ones.

Concrete block production held steady in 1960, following spectacular gains in the preceding three years. Annual output by 750 Canadian plants is around 165 million blocks.

Outlook is for continued rapid expansion.

Face designs recently introduced in Canada are gaining wide acceptance in commercial and industrial construction. A Quebec company, **J. M. Pagé & Frère Inc.**, is now making Marblox — husky, 8 in. by 16 in. blocks with smooth, glazed monolithic faces.

Also new: screen block which can be used in erecting custom lacework walls.

Most manufacturers probably will make more block varieties and their purchases of new machines will be encouraged by the introduction of Canadian-made lines, the industry thinks.

Get Story Down —And Ideas Up

MONTREAL (Staff) — A national conference of Canadian business leaders to consider corporate communications has been proposed.

"I suspect it would serve a very useful purpose in helping management obtain a clearer picture of where we are heading and where we should be aiming in this field," said Ernest J. Little, public relations director of **Texaco Canada Ltd.**

He was speaking this week before the Canadian Manufacturers' Association in St. Johns, Que.

Little outlined these main problems—

- **How to communicate from the top down** to ensure proper translation of policies and operating objectives.
- **How to stimulate upward flow of information**—"Many valuable ideas remain buried, or are lost on the way up."

ANNOUNCEMENT

ROYAL BANK APPOINTMENT

R. W. SHANNON

The Royal Bank of Canada announces the appointment of R. W. Shannon as Associate General Manager (International Division). A graduate of Queen's University, Mr. Shannon joined the bank at Kingston, Ont. in 1937 and has since occupied a number of senior posts in both the domestic and international divisions of the bank. He has been an Assistant General Manager since 1955.

ANNOUNCEMENT

DOMINION TEXTILE APPOINTMENT

RONALD H. PEROWNE

The appointment of Ronald Perowne as General Sales Manager of Dominion Textile Company Limited is announced by E. F. King, Vice-President, Sales. Mr. Perowne at one time held the position of Manager, Industrial Relations, and on transfer to the Sales Division became Product Sales Manager, Men's Wear and Work Clothing, and later Assistant to the Vice-President, Sales. Mr. Perowne was born in Montreal and, is a graduate of McGill University. He is the Chairman of the Marketing Committee of the Canadian Textile Conference being held in Montreal next month.

SPORTS PROGRAM

Pepsi-Cola Co. of Canada Ltd. will spend more than $70,000 across Canada this year to promote amateur sports and physical fitness among Canadian youth. The company will support six national and seven regional junior sport championship events in curling, skiing, golf, tennis, bowling, badminton and swimming. It will also sponsor a Canada-wide junior tennis clinic, and distribute educational booklets on school sports.

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COMPANY

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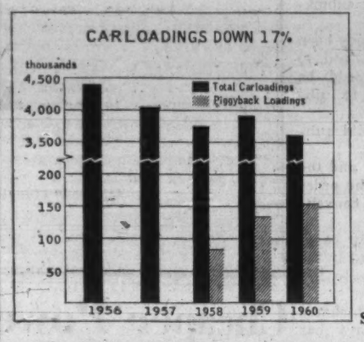
NATURE OF BUSINESS FP-10

FP rounds up TREND OF BUSINESS

Railway freight car loadings declined 5.7% in 1960 to 3,635,413 cars (3,854,893 year before), placing latest year's total 17.4% below 1956's 4.4 million cars. Cars loaded in piggyback service rose from 77,109 in '58 (first year reported) to 154,898 in '60. Commodities loaded in smaller volume in '60 than year before included grains, other than wheat; coal; iron ore; building sand, gravel and crushed stone; and lumber, timber and plywood.



Steel output in 1960 second biggest. Production of steel ingots last year totaled 5,686,416 tons, 2.2% below 5,817,012 tons in '59, but greater than in any other previous year. Pig iron output rose 2.3% to 4,279,205 tons (4,181,794 tons in '59).

Steel operating rates in relation to capacity will no longer be published by Dominion Bureau of Statistics. Instead, an index of production based on average weekly production during 1957-59 (96,108 tons) equalling 100 will be used. Index of output in week ended Jan. 7 (96,548 tons) was 100.

Chain store sales climbed 4.1% in November to $279.1 million ($268.1 million year earlier). Volume showed a similar increase for year to date at $2,999 million ($2,880 million in corresponding 1959). These stores had the best gains in November: family clothing (17.6%); lumber and building material (6.4%); women's clothing (6.1%); grocery and combination (5.4%).

Sales of natural gas rose 1.3% in October to 22,576 million cu. ft. (22,280 million year before), bringing sales for first 10 months 1960 to 256,841 million cu. ft., a gain of nearly 17% over 219,650 million the year before. Revenue from sales increased 7% in the month to $12.6 million and almost 24% in January-October period to $152.8 million.

Business casualties rose 11% in November to 186, matching the postwar record set in March, Dun & Bradstreet of Canada reports. Toll of failures ran above comparable level of preceding year for 16th consecutive month. Retailing casualties rose the most (45%) over like 1959 month, while construction industry failures were up 28%. Manufacturing and wholesaling had fewer casualties than in 1959.

Major Weekly Indicators

	Latest or Week	Date Ended	Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(Jan. 14)	6,718	5,638	— 3.4	—23.7
Truck production	(Jan. 14)	1,254	1,071	+11.8	—28.6
Bus. fail. 4-wk. moving av. (no.)	(Jan. 5)	36.0	38.3	—29.1	+48.1
Steel ingot production (tons)	(Jan. 7)	96,548	61,001	+16.3	—23.9
Index of production†	(Jan. 7)	100	63.5	+15.7	—24.2
T.S.E. industrial index	(Jan. 17)	535.94	533.00	+ 4.2	+ 3.1
Yield 114 stocks	(Jan. 16)	4.42%	4.49%	— 5.4	— 2.0
Chartered Banks					
Personal savings ($ millions)	(Jan. 4)	7,210	7,155	+ 0.8	+ 4.8
Loans outstand. ($ millions)	(Jan. 4)	6,506	6,482	— 0.3	+ 5.2
NHA mtge. hldgs. ($ millions)	(Jan. 4)	970	970	...	+ 0.5
Bank clearings					
Montreal ($ millions)	(Jan. 13)	1,098	1,139	—22.0	+23.9
Toronto ($ millions)	(Jan. 13)	1,744	1,694	+ 2.3	+43.4
Cdn. dollar (U.S. cents av.)	(Jan. 17)	100.666	100.534	— 1.5	— 4.1
Carloading totals	(Dec. 31)	*67,583	60,002	—31.4	—14.8
Eastern Canada	(Dec. 31)	*44,260	37,843	—31.1	—16.8
Western Canada	(Dec. 31)	*23,323	22,159	—31.9	—10.6
Iron and steel mfg.	(Dec. 31)	*1,377	1,021	—17.2	—18.0
Ores, concentrates	(Dec. 31)	*4,658	3,725	— 9.5	+ 2.3
Base metals	(Dec. 31)	*973	550	—22.8	—14.3
Lumber, timber, plywood	(Dec. 31)	*2,994	3,226	—37.3	—23.9
Cement	(Dec. 31)	*153	160	—76.8	—16.4
Bank of Canada holdings of					
Securities ($ millions)	(Jan. 11)	2,757	2,778	— 1.0	+ 2.1
Short-term govt. ($ millions)	(Jan. 11)	741	761	—24.4	— 8.1
Long-term govt. ($ millions)	(Jan. 11)	1,928	1,929	+11.6	+ 6.1
Other securities ($ millions)	(Jan. 11)	24	24	+71.4	+26.3
Department Store Sales					
% change from year earlier	(Dec. 31)	—4.4	+47.8	+ 2.4	— 0.9

† Based on average production in 1957-59 of 96,108 tons = 100.
* Ten-day end-of-month period.

Facts by the Month

WHAT WE PRODUCE—	Latest Month		One Month Previous	Change From— Two Months Ago %	Change From— Year Ago %
In all Industries (Index)	Oct.	172.4	169.8	+6.0	—2.3
In factories (Index)	Oct.	155.7	152.1	+7.2	—2.3
Total nondurable goods (Index)	Oct.	163.3	159.7	+8.0	+2.3
Food & bev.	Oct.	173.2	165.6	+7.3	+8.0
Textiles	Oct.	128.6	123.0	+12.0	—0.2
Clothing	Oct.	113.6	121.4	...	—5.5
Chemical products	Oct.	239.6	236.8	+5.5	+14.8
Total durable goods (Index)	Oct.	146.9	143.3	+8.6	—7.6
Iron and steel products	Oct.	140.0	140.8	+5.2	—12.4
Primary iron & steel	Oct.	166.4	161.0	+15.7	—14.5
—From mines (Index)	Oct.	253.4	262.4	—0.6	—6.5
Metals	Oct.	202.2	200.2	—2.5	—8.6
Nonferrous smelting, refining	Oct.	165.7	166.8	+0.4	+8.5
Gold	Oct.	117.5	107.4	+10.0	+5.5
—From farms					
Cattle delivered (000)	Oct	162	201	+1.9	+8.0
Hogs graded (000)	Oct.	441	502	+13.1	—25.4
Grain mill products (Index)	Oct	140.3	138.0	+8.7	+0.2
—From sea					
East Coast catch ($000)	Nov.	2,404	3,432	—56.5	+35.5
West Coast catch ($000)	Nov.	1,190	2,448	—54.0	—52.7
—From forests					
Newsprint (000 tons)	Nov.	604	591	+5.8	+7.3
U. S. publishers' stocks (days)	Nov	38	37	—11.6	—5.0
Pulp (000 tons)	Nov	1,000	986	+7.1	+7.5
—In powerhouses					
Electricity (million kwh.)	Oct.	9,569	9,249	+2.6	+5.9
WHAT WE SELL—					
Retail sales ($ millions)	Oct.	1,395	1,352	+6.3	—4.0
Dept. store sales ($ millions)	Oct.	134.6	125.8	+25.0	+0.1
Wholesale sales ($ millions)	Oct.	690	686	+4.9	—4.3
Mfrs. outstdg. orders ($ millions)	Oct.	1,966	1,989	—2.2	—6.6
Pass. car sales (units)	Oct.	33,473	26,173	+14.4	+3.3
WHAT'S ON HAND—					
Mfrs inventories ($ millions)	Oct.	4,412	4,412	—0.7	+0.6
Dept store stock sales ratio	Oct	2.6	2.6	—10.3	+4.0
SPENDING, SAVING POWER—					
Labor income ($ millions)	Oct.	1,584	1,604	+0.6	+2.5
Dividend payts. (Index) (annual rate)	Dec.	333.4	332.6	+3.2	+5.7
JOBS—					
•Persons with jobs (000)	Dec.	5,902	6,029	—3.7	+1.3
•Jobless seeking work (000)	Dec.	558	429	+43.5	+30.0
•Do. (% of labor force)	Dec.	8.2	6.6	+43.8	+26.2
CONSTRUCTION—					
•Contract awards ($ millions)	Dec.	179	248	—21.2	+6.1
FOREIGN TRADE—					
Exports ($ millions)	Nov.	476	483	+6.3	—4.0
Imports ($ millions)	Nov.	515	453	+19.8	+7.3
MONEY—					
Money supply ($ millions)*	Oct.	13,525	13,322	+3.4	+2.7
Cheques cashed ($ millions)	Oct.	23,457	22,194	+2.7	+4.3
Life insurance sales ($ millions)	Nov.	565	447	+17.0	—1.6
•Notice deposits ($ millions)	Nov.	7,744	8,006	—1.7	+3.9
•Current public loans ($ millions)	Oct.	6,257	6,136	+1.9	+0.7
PRICES—					
Consumer prices (Index)	Dec.	129.6	129.6	+0.2	+1.3
Wholesale prices (Index)	Dec.	230.1	229.7	—0.1	+0.2

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

STRATEGIC MATERIALS—Production and Supply—	Latest Month		Month yr. ago	Yr. to date	% chge. yr to date
•Steel ingots‡ (000 tons)	Dec.	340	541	5,686.4	—2.3
Nickel (000 tons)	Oct.	18.0	17.2	177.9	+17.9
Primary copper (000 tons)	Oct.	36.2	33.6	363.5	+13.0
Lumber exports (millions fbm.)	Sept	371	333	3,450.1	+8.1
Lumber (million fbm.)	Sept	683	595	6,143.3	+7.9

‡Ingots only; previous series included steel castings.

•New item this week.
Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100.

How Government Jobs Pay In Canada, U.S. and U.K.

From Our Own Correspondent

WASHINGTON — U. S. civil servants are sitting pretty with their weekly pay compared to their colleagues in Canada or the U. K.

Salaries for top U. S. civil servants, equivalent to deputy ministers, run up to $27,000 a year.

In Canada, the deputy ministers are paid in the $17,000 to $20,000 a year bracket. The U. K. number two men in government departments are the low men on this economic totem pole.

They are paid usually between $8,000 and $10,000 a year.

Even allowing for the disparity in living costs, this leaves the British officials lower on the ladder than their North American counterparts.

The President of the U. S. has a salary of $100,000 a year. Prime Minister Diefenbaker draws down about $27,000 and Prime Minister Macmillan, about $28,000.

There is a big difference, too, in the pay of cabinet officers.

In the U. S., a cabinet member receives in the neighborhood of $25,000. In Canada, he gets about $15,000 to $17,000, plus his pay as a Member of Parliament which gives him an extra $8,000, bringing him close to his U. S. colleague.

But the U. K. cabinet member draws an average of about $14,000 a year, well below his Canadian and U. S. colleagues.

Perhaps the greatest discrepancy is in the diplomatic field where Canada and the U. K. are fairly generous on expense allowances, but the U. S. is exceedingly stingy.

Take Paris, for example. The U. K. Ambassador to Paris gets paid about $17,000 a year, but he gets expenses of roughly $80,000 a year. The Canadian Ambassador receives about $11,000 in pay, but approximately $28,000 in expenses.

The U. S. Ambassador receives the most pay, $27,500 a year, but he's allowed for expenses a mere $8,800 a year. This is by no means enough money and as a result he digs down into his pocket every year for extra money for entertainment. This can run up to $75,000 a year or even more.

It's the same story for the U. S. Ambassador in London. Thus only rich, non-career diplomats can afford to be the U. S. Ambassador in London or Paris.

Down at the lower levels of civil service pay rates are the junior executives and officers and the secretaries.

A junior official's pay in Washington will run around $10,000 a year; in Canada between $6,000 and $7,000; and in the U. K. around $4,000.

A good secretary in Washington earns around $7,000; in Ottawa, $4,500; in the U. K., $3,000. Some U. S. secretaries, though, especially working with U. S. Congressmen, earn up to $10,000.

Senior civil servants under the deputy minister level are highly paid in the U. S., earnings $17,000 or $18,000 a year. In Canada, the average is around $12,000 and in the U. K. about $7,500.

It frequently happens in the U. S. that a subordinate earns more money than his boss. This is true in Ottawa, too, to a certain extent, with the deputy ministers.

The minister earns about $17,000, but the deputy about $19,000, although the minister gets extra money as an MP and thus in total earns more than his subordinate.

In the U. S., though, such uneven pay rates run rampant. Some U. S. Ambassadors are paid more than the Secretary of State. The Treasurer of the U. S. gets less money than the deputy.

The heads of the U. S. Weather Bureau and the Census Bureau get $18,500 a year, but the man in charge of Public Roads who is directing the $50,000 million highway program, receives $17,500.

BURNDY ON NYSE

Shares of **Burndy Corp.**, Norwalk, Conn., manufacturer of electrical connectors (sales over $36 million in 1960) have been posted for trading on New York Stock Exchange. Company is parent of **Burndy Canada Ltd.**, which has plant in Toronto.

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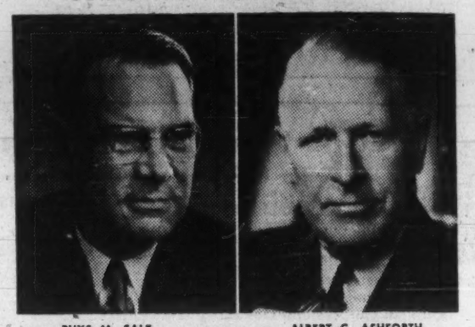

RHYS M. SALE ALBERT C. ASHFORTH

Mr. W. D. Glendinning, President of Corporate Investors Limited, announces the election to the Board of Directors of Mr. Rhys M. Sale and Mr. Albert C. Ashforth, both of Toronto.

Mr. Sale is Chairman of the Board of Ford Motor Company of Canada, culminating a forty-year career in the automobile business. In addition to the Ford Motor Company of Canada, Mr. Sale is a Director of the Great West Life Assurance Company, the Canadian Bank of Commerce, the Toronto General Trusts Corporation and the Union Gas Company of Canada, Limited.

Mr. Ashforth was until recently President of the Toronto Dominion Bank, a position which he had held since February 1955. He remains as a Director of the Toronto Dominion Bank and the Canada Life Assurance Company, Toronto.

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The new 4% Bonds due May 1, 1964 are an addition to $50,000,000 of 4% Bonds due May 1, 1964 which Bank of Canada has already agreed to acquire on February 1, 1961 in exchange for an equal par value of Government of Canada 3% bonds due May 1, 1961.

This loan is authorized under authority of an Act of the Parliament of Canada and both principal and interest are a charge on the Consolidated Revenue Fund of Canada. The proceeds of the cash offering will be used for general purposes of the Government of Canada.

Subscriptions, subject to allotment, may be made to Bank of Canada, Ottawa, through any investment dealer eligible to act as a primary distributor or through any bank in Canada.

An official prospectus may be obtained from any Agency of Bank of Canada.

The books of the loan will close at 8.00 p.m. Eastern Standard Time January 19, 1961.

OTTAWA, JANUARY 18, 1961.

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ANNOUNCEMENT

LLOYD R. McGINNIS, B.Sc. (C.E.), P.Eng.

W. L. Wardrop, President of W. L. Wardrop and Associates (Management) Ltd., is pleased to announce the appointment of Mr. Lloyd R. McGinnis as an Associate of the Company. Mr. McGinnis is a Municipal Engineer and will be responsible for the design of various municipal projects in the Manitoba and Lakehead areas. He is married and resides in Selkirk, Manitoba.

Opportunity Ready To Pop in Cleaning

(CONTINUED FROM P. 1)

veil the first Canadian-produced unit next week.

Moffats Ltd. with **Norge** equipment and **McClary Easy** coin-operated laundry division of **General Steel Wares** with an Italian model are both shooting for February starts on distribution in Canada.

Westinghouse has just previewed its model in U. S. and **Ald Canada Ltd.** will handle it here.

At mid-week, **John Inglis Co.** expected to make firm its plans while **Philco** also had plans taking shape.

There is some difference among distributors as to how the market will be exploited.

"We are sticking strictly to dry cleaners who know the business," J. E. Robertson of Moffats told **FP**.

"We have six installations sold (eight machines each) to dry cleaning interests in Toronto, Montreal and the Maritimes."

Moffats initially is selling the eight-unit Norge banks to operators who also agree to install coin laundry equipment in the same location.

Ald, the Westinghouse distributor, probably will lean toward installation by existing coin laundry operators.

McClary Easy has Canadian rights to the Italian-made **Maestrelli Co.** line and will introduce the "Mark 30" in February after its showing at a Philadelphia meeting of the Launderers and Dry Cleaners Association.

"We see the first big development in combination stores — those with coin washers, dryers and dry cleaning units," a McClary Easy spokseman says.

The Maestrelli machine is automatic, works without any levers and each unit runs off its own cleaning system (as opposed to several units operating off the one system).

One unit installation, together with finishing equipment, may cost $16,000-$17,000.

An Ald official says the firm will "take it slow" with its Westinghouse model.

"This thing needs proper education of the public and training of operators or it might backfire," he says. Westinghouse has designed two units to work off one system.

The Norge units of Moffats, now in batteries of eight on one system, may be reduced later to six or four.

Initial estimate of outlay for an adequate combination store, using Norge equipment, is about $45,000. That would include 20 washers, eight dryers and the bank of eight dry cleaning units.

"We expect to get into Canadian production, perhaps by mid-year," Moffats' commercial sales manager, J. E. Robertson, says.

He forecasts sales of over $1 million of Moffats coin dry cleaning equipment in 12 months starting this March.

Customer fees will be attractive, he says.

"One interested Canadian dry cleaner took $18.50 of dry cleaning to the U. S. He did it in a coin store there for $4.50."

"We expect the cost to customers for a load to be $1.25 to $1.50 in our stores," Robertson says. "That would be for 8 lb. of cleaning."

Many distributors are hopeful not only of a boom in coin dry cleaning, but they see also an increase in coin washing and drying.

"Stores in U. S. offering both have found that the dry cleaners attract more washing and drying business," one sales manager says.

Cleaning time cycles for machines coming to Canada vary from 27 min. to 47 min.

Although the machines have been under development for three years, both in U. S. and Europe, only practical operations can decide which types of machines will survive, distributors say.

Some appliance makers are steering clear of the new development. And there are dry cleaning interests who say the units are too small, fluids will not be properly filtered and untrained people "just can't manage a technical job like this."

Supporters admit that development of the industry until now has been in the stage of practical testing.

"If we move carefully, it will be a success," a distributor says.

"But if we plunge recklessly, it could be a fiasco."

We're Cool To Soybeans

(CONTINUED FROM P. 1)

concentrated in a 250,000-acre growing section in Southwestern Ontario.

It is estimated that at least 20% of Canada's last 5.6 million bu. crop has been held back on the farms, and can now profit from the fancy prices.

The high prices also will bring an increase in soybean acreage next season.

Canada exports and imports soybeans and the products made from them — edible oils and animal feeds.

Last year, for instance, 30% of our soybean production was exported, most of it to the U. K.

Our oilseeds crushing industry — big soybean buyer — fears that higher prices will push edible oils out of the market.

Soybean crude oil goes into margarine and salad oils, but imported palm oil, coconut oil, peanut oil also compete for the same market.

NEW CONSOLIDATION

Columbia - Southern Chemical Corp., wholly owned subsidiary, became division of **Pittsburgh Plate Glass Co.**, Jan. 1, 1961. It will operate under name of **Pittsburgh Plate Glass Co., Chemical Division.** Change is to consolidate operations of Columbia-Southern Chemical Corp. with those of Pittsburgh Plate Glass Co. **Standard Chemical Ltd.**, Beauharnois, Que., subsidiary of Columbia-Southern Chemical Corp., will become subsidiary of Pittsburgh Plate Glass Co.

Chemicals Tariff Probe Likely to Last into 1963

OTTAWA (Staff) — The Tariff Board has now concluded that somewhat more than two years will be required to cover the 203 items in the Canadian chemicals tariff.

Before the chemical hearings began last September, the board published a list of nine sessions running through to next March 12.

It has now published a further list of six hearings to begin in May and run through next September.

The hearings so far announced deal mostly with specifically named chemicals.

A few, but not many, of the so-called "end use" tariff items are covered.

These classify groups of chemicals according to the use for which they imported, i.e., colors used to make roofing granules. "End use" items may cover dozens of specific chemicals.

When the second set of hearings are complete, the board will have worked about half way through the chemicals tariff list, exclusive of most of the "end use" items.

These are likely to be covered by another group of hearings after all the tariff items which cover specifically named chemicals have been considered.

If the board, therefore, continues at its present rate, it will be half way through the chemicals tariff by the end of September. Another year will be required for the second half of the list and several months after that for cleanup hearings on "end use" items.

The hearings, then, would end about Christmas, 1962. The board would then begin drafting recommendations to hand to the Minister in 1963.

Following are the dates of the second set of hearings announced by the board, with chemicals to be considered. They are organized around the so-called "Brussels nomencalture," a system of naming chemicals widely used in Europe:

May 8: Brussels item 29.01, hydrocarbons.

May 23: Items 29.02, 29.03, halogenated, sulphonated, nitrated or nitrosated derivatives of hydrocarbons.

June 5: Items 29.04, 29.08, acyclic alcohols and their derivatives, undenatured ethyl alcohol and denatured spirits.

June 19: Items 29.05 to 29.07, cyclic alcohols and derivatives, phenols and phenol-alcohols and derivatives.

Sept. 11: Items 29.08 to 29.13, ethers, epoxides, epoxyalcohols and acetals and derivatives; aldehydes and ketones and their derivatives. Chemicals in this group are exclusive of the alcohols to be considered at the June 5 sessions.

Sept. 25: Items 29.14, 15.10, monoacids and their anhydrides, acid halides, peroxides, peracids and derivatives; fatty acids and fatty alcohols.

The following "end use" items will be covered during the second series of hearings:

Canadian tariff item 157, ethyl alcohol imported to be denatured for use in the arts and industries, and for fuel, light and power, will be considered at the June 5 hearing under Brussels heading 22.08.

Tariff item 158A, methyl alcohol for making formaldehyde, to be considered at the Sept. 11 hearing under Brussels heading 29.11.

Tariff item 215A, stearic acid for making candles and crayons, to be considered at the Sept. 25 hearing under Brussels headings 29.14 and 15.10.

A "Stock Quotation"

updated by TILDEN rent-a-car

So ends the bloody business of the day... —HOMER (CIRCA 860 BC)

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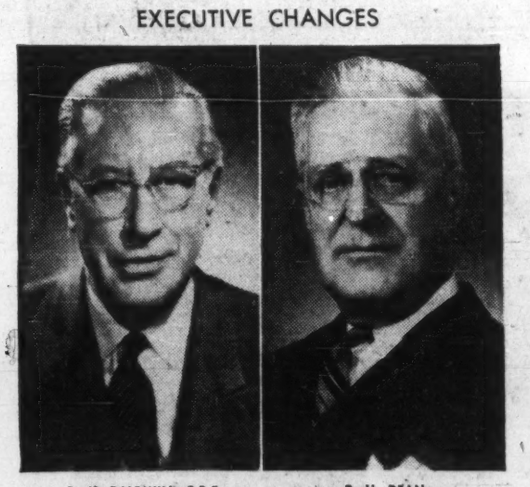
ANNOUNCEMENT

EXECUTIVE CHANGES



D. K. BALDWIN, C.B.E. R. H. DEAN

Announcement is made by Nesbitt, Thomson and Company, Limited of the retirement of Mr. D. K. Baldwin as Chairman of the Board of Directors. He will continue his association with the Company as a Consultant.

Mr. R. H. Dean has been elected to succeed Mr. Baldwin as Chairman of the Board.

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'Marked Upturn' In Cockshutt Sales

Sales of **Cockshutt Farm Equipment Ltd.** showed a "marked upturn" during company's fourth fiscal quarter, ended Oct. 31, President Benno M. Bechhold said.

Annual report for 1959-60 will be published early in /61.

Cockshutt's acquisition of **N. K. Winston - Sanson Florida Corp.** (**FP**, Oct. 29) was completed Dec. 13.

Norman K. Winston and Stanton D. Sanson, chairman and president respectively of the Florida subsidiary, were subsequently elected directors of Cockshutt.

Also named a Cockshutt director was William G. Reynolds, a director of **Reynolds Metals Inc.** and associated companies in the U. S., and executive vice-president and a director of **Reynolds Aluminum Co. of Canada.**

Join to Study Medical Plans

The Canadian Conference on Health Care, a new organization representing the medical profession, hospitals and insurers, has been formed to study voluntary health insurance in Canada.

Aim is to promote the cause of prepaid medical care and insurance plans.

Initial members are All Canada Insurance Federation, Canadian Council of Blue Cross Plans, Canadian Health Insurance Association, Canadian Medical Association, Canadian Hospital Association and the Canadian Life Insurance Officers Association.

Conference chairman is Dr. J. A. McMillan, Charlottetown, chairman of CMA's committee on economics.

Vice-chairman is J. K. Macdonald, Toronto, president of **Confederation Life Association.** Secretary is Dr. A. D. Kelly, Toronto, general secretary of CMA.

SPECIAL ANNOUNCEMENT

EFFECTIVE JANUARY 1st 1961

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LA PRESSE

MONTREAL

ANNOUNCEMENT

J. M. CRAWFORD

A. W. PETERS

Two appointments in The Shawinigan Water and Power Company have been announced by Donald King, Vice-president, System Planning and Engineering.

J. M. Crawford, formerly Chief Engineer in the Power Operations and Engineering Department, has been named manager of the newly formed System Planning and Engineering department;

A. W. Peters, formerly Chief Engineer in the Commercial and Distribution department, has been appointed Chief Engineer—Distribution Supply Planning.

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End Fluctuation, Fix Rates On Bank Deposit Receipts

Canadian chartered banks have adopted a relatively fixed scale of interest rates to be paid on deposit receipts of up to 364 days.

The rates, ranging from 3¼% to 4¼%, replace the previous deposit receipt rate which was set at 10% below the prevailing treasury bill rate.

The rate on treasury bills is determined by weekly auction. It, in turn, automatically sets the bank rate at 0.25% higher.

This technique for fixing a fluctuating bank rate has been criticized by several bank presidents recently, as failing to give needed guidance to the money market.

In setting a graduated scale of interest rates on deposit receipts, the chartered banks have turned away from the fluctuating bill rate, and toward the acceptance companies' short-term note rates, which are adjusted at irregular intervals to reflect market conditions.

A second change is the increase in minimum amount accepted, from $25,000 to $100,000.

Deposit receipts, like acceptance companies' notes, are designed to attract the temporarily idle funds of corporate treasuries.

An officer of one bank said that some additional demand had been stimulated by the change in rate structure.

Acceptance companies have shown little reaction to the banks' competition. In general, the acceptance companies are not now seeking more funds.

When they are, they will count on the loyalty of established clients and the zeal of investment dealers (seeking commissions) to ensure a continued flow of funds into their short-term notes.

Make Dentrifice In Jamaica Plant

Jamaica has become a producer of dental cream.

Colgate Palmolive (Jamaica) Ltd. is making the cream in a $300,000 extension to its plant under the island's industrial incentives law.

This law provides tax and import duty concessions.

Colgate, which has been in Jamaica four years, also produces pomades, lotions, perfumes, powders and other products. It is a subsidiary of **Colgate Palmolive Ltd. of Canada.**

"We expect to supply between 80% and 90% of the local market for dentifrices," Manager J. F. Whiting says.

Company will also supply Trinidad, Barbados, British Guiana, the Leeward and Windward islands.

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FP rounds up

The Outlook

(CONTINUED FROM P. 1)

war years shows up dramatically in the percentage of unemployed.

Discounting the seasonal factors, unemployment stayed below 5% from the early 1950s through to the end of the 1954-56 boom.

Then at the beginning of 1957, the ratio moved over the 5% mark, hit the heretofore record of 7.5% in the middle of 1958 when the effects of the last recession were still being felt, dropped toward 5% in the gentle boom of 1959, and now is up to 7.9% with the end not yet in view.

A look at the actual December employment-unemployment count shows two worrisome trends continue without improvement:

- **The number of women with jobs is on the upgrade while the number of men employed is still sliding off.** As a result, all of the 122,000 increase in unemployment between mid-November and mid-December was accounted for by men.
- **Employment declines are persisting in the manufacturing area,** although construction is also down substantially and forestry employment took a surprise drop. The place where the jobs are more plentiful is in the service industries such as insurance, banking, retailing and personal service.

The implication: Slower increases in incomes lie ahead and the advances in retail sales will be slight. Average wages and salaries for women are appreciably below those for men. Service industry jobs, where employment opportunities are expanding, are notably less remunerative than manufacturing jobs where the decline is taking place.

The spending slowdown is already making itself felt in two sectors of the Canadian economy:

- Latest figures, for October, show that although retail sales were up from earlier months in 1960, the total was still hovering close to year-before levels, seasonal factors discounted.
- **Consumers appear to be taking a more cautious attitude toward installment debt these days.** They have been adding to their debt load more slowly in recent months. And experts suggest that the debt saturation point may be close, given current business conditions.

There is, however, one encouraging trend on the labor front. In recent weeks, the number of **job applicants at National Employment Service offices have not been rising as rapidly as is usual** for this time of year. Registrations for construction employment especially, have not been shooting up as fast as expected.

* * *

The new U. S. budget certainly won't give the Canadian economy any boost by passing along orders to Canada's defence industry.

The only bright spot for Canada is a decision to buy more of the **de Havilland**-made Caribou transport planes that have met with favor in the U. S. Army. The budget doesn't spell out how many will be purchased, but it is estimated to be around 25 or 30. **This could put another $12 million to $15 million into the de Havilland order book and mean more jobs for workers at the Toronto plant.**

But for Canada's electronic firms, which greatly benefited from past U. S. budgets, the **prospect is for substantially less new U. S. business.** Money for the Dew Line, Pinetree Line and the Ballistic Missile Early Warning System has already been allocated and there is little new cash for these projects. And it is the same story in construction since most major projects are finished or nearing completion.

There is no provision in the budget for spending on Bomarc, on any of **Canadair's** CL-44s, on **A. V. Roe's** vertical take-off "flying saucer".

Some of these items may be shifted around when the new Kennedy administration takes a good look at this final Eisenhower budget. But as far as those outlays of direct interest to Canada are concerned, it is not likely that many will be changed.

From now on, Canadian industry will have to look beyond Canadian-angled projects for the U. S. military business, Washington sources suggest. Canadian companies have not been aggressive enough, compared to U. S. firms, but the business is there under the provisions of the defence production sharing agreement, Pentagon officials tell **FP.**

'Twin Cinema' Colossally Small

By VINCENT EGAN

Compact cars. Compact organs. Now, compact movie-houses.

A back-to-back pair of tiny film showplaces was opened recently on the second floor of a new Toronto office building.

According to their owner, they are the first of their kind in the world. Cost: $60,000 for the pair.

The success, or otherwise, of Yvonne Taylor's new **Little Cinema** is being watched by other movie exhibitors.

Their industry, of course, has been plagued in recent years by falling attendance, resulting in a steady attrition of older movie houses.

Policy of the Little Cinema on Avenue Rd. near Bloor, is closer to that of a legitimate theatre than a conventional movie house.

Seats are reserved. There is one show nightly (three on Saturdays and holidays). Tickets are $1.50 Monday-Thursday, $2 Friday-Saturday.

One auditorium seats 128, the other 122. Screen is a tiny 4 ft. by 5 ft. Seat dimensions are generous — 22 in. wide, 36 in. back-to-back, a 4 in. arm-rest to end the usual battle of the elbows.

Smoking is permitted anywhere. There is no candy counter or popcorn machine.

Projection techniques are different, too. For each auditorium, the entire evening's program — shorts, news, feature—is spliced on to one 5,000 ft. reel. Film size is 16 mm, rather than the conventional 35 mm.

One projectionist operates the two projectors — that is, he starts them at the beginning of the evening, stops them at the end.

Starting times in the two auditoria are staggered by 20 min., since patrons must reach the second floor by three eight-passenger automatic elevators.

Pictures chosen for the Little Cinema will be foreign films of limited mass appeal.

If a film proves to be an outstanding success there, it might be moved to either of Nat and Yvonne Taylor's two larger movie houses in Toronto—the **Towne** and the **International.**

One of the initial attractions at the Little Cinema is **The Seventh Seal,** by the Swedish director Ingmar Bergman. It is currently playing to about 50% of capacity, in its third month.

The other, an Indian film called **Aparajito,** proved to be of even more specialized appeal than had been anticipated. With attendance disappointing, it was replaced recently by an older Bergman film, **A Lesson in Love.**

One possibility under consideration by the Little Cinema's owners is to launch a "repertory season" of perhaps six weeks, with week-long runs in one auditorium of film classics of the past, such as **Bicycle Thief** and **Open City.**

Arrangements for such a project are complicated by the fact that North American rights to the older imported films have lapsed, and transAtlantic negotiations must be carried on with the European distributors.

Superior Propane Expands Further

Superior Propane Ltd. has acquired the assets of **Gaz Propane Ste. Marie Co.,** Ste. Marie de Beauce, Que.

Included in the acquisition are customers, regulating equipment, cylinders, and bulk tanks.

The customers will now be serviced by the Kennebec Division of Superior Propane in Quebec City.

Quebec Okays Federal Control Of Inter-Provincial Trucking

Last provincial obstacle to federal control of inter-provincial trucking on the Canadian mainland disappeared this month, when Quebec formally accepted federal jurisdiction.

Quebec's action, announced in the Canada Gazette, leaves Newfoundland as the only province that has not accepted the provisions of the Motor Vehicle Transport Act, passed six years ago.

The act delegated control of inter-provincial trucking to the provincial motor transport boards, making each in effect a federal board for control of inter-provincial operations within its own province.

It is now being challenged by the Canadian Trucking Associations as inadequate, because it makes no provision for uniform regulations across Canada, particularly in regard to requirements for licensing of truckers who operate in two or more provinces.

At present these must conform to varying requirements in the several jurisdictions.

Quebec's action posed problems for **Canadian National Railways** which has been operating certain trucking services within the province without a Quebec license.

The CNR, which has argued that it was operating under federal authority, probably will now seek permits from the Quebec Transportation Board.

The Quebec move also clears the air for joint hearings between that province and neighboring provinces on inter-provincial license applications.

Expect Late 1961 Opening for Mart

Construction will start in March with completion target of late 1961 for Furniture World — a $15 million furniture and furnishings mart in western Metro Toronto (**FP,** Jan. 14).

The eight-story, 600,000 sq. ft. building will go up on Highway 27.

Bernard Nathanson, vice-president of **Sealy Mattress,** says his firm has made arrangements to lease.

Consolidated Building Corp and its leasing agent, **H. B. Sussman Associates,** say enough leases have been assured to go ahead with a building start.

Leases are being offered for November - December occupancy, in time for 1962 Furniture Show in Toronto.

B-W-H Adds Line, New Warehouses

B-W-H Service Parts Ltd., St. Catharines, has been appointed Canadian distributor for the Permite line of engine and chassis parts made by **Aluminum Industries Inc.,** Cincinnati, O.

An Edmonton warehouse, third in a series being built by B-W-H (**FP,** May 7/60) was opened last week. Others are in Montreal and Toronto, with units planned or Vancouver and Winnipeg and, later, the Maritimes.

B-W-H is owned jointly by **Hayes Steel Products Ltd.,** St. Catharines, and **Borg-Warner International Corp.** of Chicago. W. S. Thomson, vice-president of Hayes, was appointed recently as president and general manager of B-W-H.

Further Merger For Husky Oil

At recent special meetings at Cody, Wyoming, proposals to merge **Husky Hi-Power Inc.** into **Husky Oil Co.** received more than the necessary two-thirds vote of stockholders of both companies.

By simplifying corporate organization it will also permit closer ties between Husky Oil and its parent company, **Canadian Husky Oil Ltd.**

Under the merger agreement, Husky Oil will exchange one of its $100 par value first preferred shares for each five shares of Hi-Power $20 par preferred stock.

ANNOUNCEMENT

HOWARD SMITH APPOINTMENTS

J. R. NIXON

PHILIP SANFORD

Following the merging of the pulp and paper sales forces of Howard Smith Paper Mills Limited, Alliance Paper Mills Limited, Canada Paper Company and Don Valley Paper Company Limited, W. H. Aird, Vice-President of Sales, announces the appointment of J. R. Nixon as General Sales Manager and Philip Sanford as Assistant Sales Manager.

Mr. Nixon will continue to make his headquarters in Toronto, Ontario and Mr. Sanford will be resident in Montreal.

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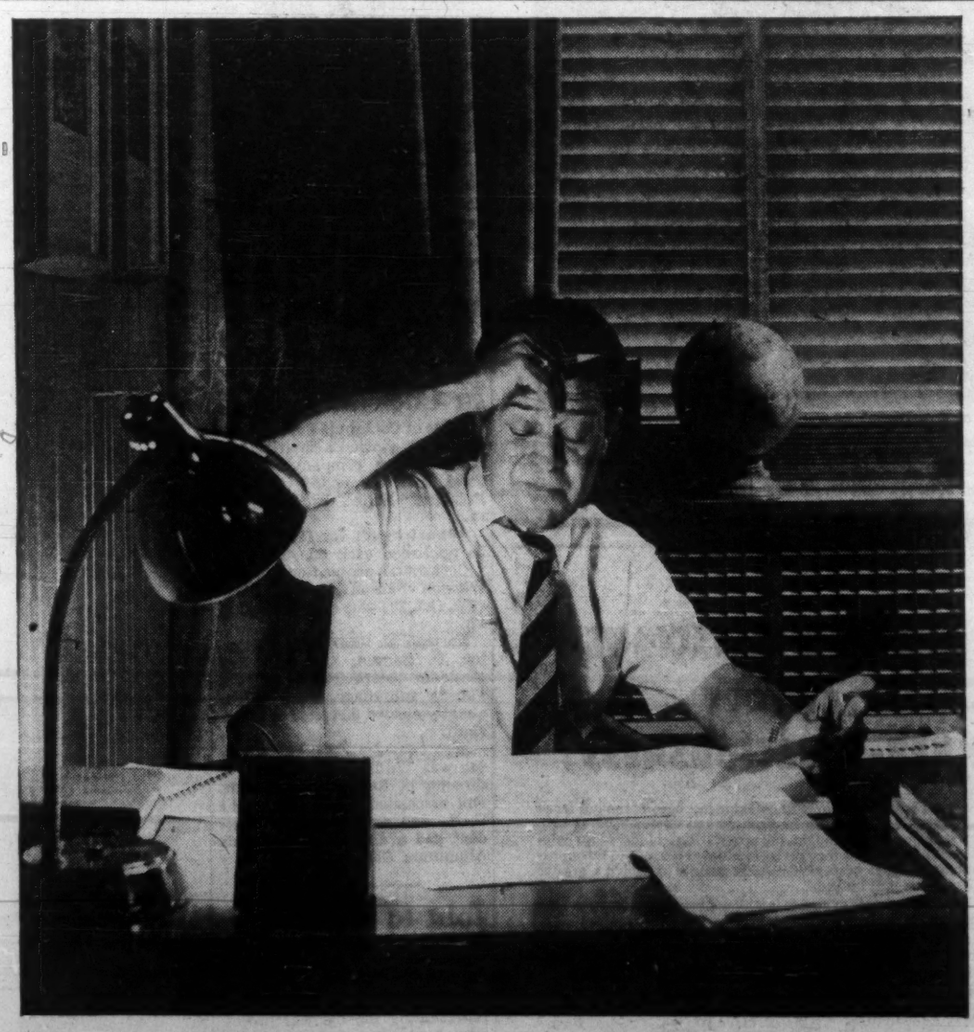

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ANNOUNCEMENT

ROYAL BANK EXECUTIVE VICE-PRESIDENT

A. F. MAYNE

The Royal Bank of Canada has announced the election of A. F. Mayne as a Director and Executive Vice-President. Born in Drayton, Ont., where he joined the bank 35 years ago, Mr. Mayne has had wide experience throughout Canada and in South America and Europe. In recent years he has occupied a number of senior posts and has been General Manager (Non-Domestic Business) since 1960.

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ANNOUNCEMENT

JOINS HUGET & RYAN

STANLEY W. WOOD, M.I.B.E.

whose association with Leonard M. Huget, architect, and John J. Ryan, consulting engineer, has been announced. Mr. Wood has been appointed Field Engineering Supervisor, a position for which he is well qualified by a long and distinguished career both in Great Britain and in Hamilton and district.

Business Across Canada

HOW'S BUSINESS? That's the big question right across the country. This regular FP feature helps to answer it for businessmen everywhere, by comparisons for representative cities coast-to-coast.

This table shows figures for October, the latest complete month available. Despite the time lag, the comparisons are valuable indicators of each grea's business health.

COMPARISONS
October, 1960-October, 1959

	Weekly† Average Wages & Salaries $	Average Weekly Wages & Salaries Change %	Employment Indexes Change %	Consumer Price Indexes Change %	Value of Building Permits Change %	Housing Starts 10 Months Jan.-Oct. Change %
St. John's	55.93	+5.9	—3.2	+0.4	—35.5	—40.5
Halifax	62.18	+2.8	+2.2	+0.9	—68	—21.5
Saint John	61.54	+6.4	+3.6	+0.8	+17.3	+28.4
Quebec City	64.09	+1.3	—1.9	....	—22.7	—13.2
Sherbrooke	62.85	+4.5	—4.3	....	+345.1	—24.3
Trois Rivières	71.76	+4.9	—7.9	....	+542.9	—20
Montreal	75.02	+2.0	—1.4	+1.0	—7.6	—24.9
Ottawa-Hull	71.82	+4.6	—2.9	+1.2*	+11.2	—15.5
Peterborough	84.31	+0.4	—9.6	....	—80	+58
Toronto	79.84	+3.4	—2.4	+1.4	—42.9	—24.2
Hamilton	85.20	+1.9	—4.7	....	+5.3	—33
St. Catharines	85.70	+1.4	—6.1	....	+60.7	—38
Brantford	72.73	+3.1	—11.1	....	—21.4	+277
Kitchener	73.31	+2.7	—2.0	....	—19.5	+20.6
London	73.22	+3.5	—0.9	....	—46.6	—19.7
Windsor	85.75	—1.1	—8.1	....	—39.9	—35.4
Sarnia	100.81	+5.3	—2.1	....	—22.9	—31.7
Ft. William-Pt. Arthur	81.50	+6.2	+0.9	....	—5.3	—53.8
Winnipeg	69.31	+2.5	—1.2	+1.7	+37.2	—25.4
Regina	71.49	+5.5	nil	+0.9‡	—68.4	—41.5
Saskatoon	69.24	+2.4	—0.8	....	—23.3	—31.6
Edmonton	74.27	+3.9	—3.8	+0.9‡	—17.6	—49.7
Calgary	74.72	+3.7	—1.6	....	—21.8	—40.8
Vancouver	82.03	+1.9	—5.9	....	—21.1	—49.5
Victoria	75.33	+3.9	—5.3	+0.7	—32.1	—27.1
CANADA	76.65	+2.7	—2.4	+1.1	—15.2	—29.9

†Industrial composite on Oct. 31/60. *Ottawa only. ‡Joint indexes for Regina-Saskatoon and Edmonton-Calgary. Blanks indicate figures not available. Source: DBS reports.

Nation-Wide Title For Accountants?

By NEVILLE NANKIVELL

Three main co-ordinating bodies for public accountants will remain in Canada if a merger proposal between chartered accountants (CAs) and certified public accountants (CPAs) in Ontario becomes nation-wide (**FP**, Dec. 31).

These would be the Canadian Institute of Chartered Accountants, the General Accountants' Association and the Institute of Accredited Public Accountants.

Some accountants would like to see one nation-wide title of "public accountant" — with universities granting accounting degrees.

This would make accounting a true profession, they say.

The Canadian Institute of Certified Public Accountants is the national body for the six provincial groups. But withdrawal of Ontario members — after a CA-CPA merger — would weaken it seriously.

Ontario CPAs number 1,069 out of total Canadian CPA membership of 1,288, and the Canadian CPA Institute would be dissolved — at least in name — if other provincial groups also merged.

Members of merged groups would all be known as CAs.

Present membership of other national bodies: CPAs 9,200, CGAs 4,000, APAs 800.

Accounting has grown in stature in Canada since World War II. But regulations and status of various public accountants differ from province to province.

The CAs received legislative recognition by all provinces.

Others engaged in public accounting organized voluntary associations, and received legislative recognition in some provinces.

Apart from CAs, only the Society of Industrial and Cost Accountants has received legislative approval in all provinces. But members are concerned specifically with cost accounting and may have membership in other accounting groups.

CAs and CPAs have the right to practise public accountancy in the provinces in which they are incorporated, but some restrictions are placed on other groups.

CAs control public accounting in several provinces — they virtually have a closed shop in Quebec.

CPAs hold equal privileges in Ontario.

But in British Columbia, for instance, the CPA designation is prohibited, and CGAs and CAs do almost all public accounting.

CGAs are co-ordinated nationally through the General Accountants' Association, and have the right to public accounting practice in most provinces. Quebec and Ontario are the main exceptions.

In Ontario, the CGA may apply for a public accountancy licence from the CA-CPA-dominated Public Accountants Council.

These are usually approved, but CAs and CPAs can get licences automatically by virtue of membership in their provincial groups.

The national CGA body, second oldest accounting organization in Canada, has a dominion charter. Provincial associations are incorporated under provincial statutes in B. C., Manitoba, Ontario and Quebec.

Other associations are established in Alberta, Saskatchewan and the Maritimes. There are branches in most principal cities.

Members of Manitoba's CPA association are also members of the General Accountants' Association's Winnipeg branch.

The CGAs provide a five-year course both by correspondence, and by lectures in co-operation with various Canadian universities, to qualify members as accountants and auditors in public or private practice. Junior matriculation or equivalent is required.

The CA and CPA training includes a five-year university-administered accountancy course. Minimum entrance standard is senior matriculation (grade 13 in Ontario) or equivalent.

The CAs eventually want university graduation as the minimum for students.

The APAs are co-ordinated nationally by the Institute of Accredited Public Accountants.

They are incorporated under provincial statute in Manitoba and New Brunswick and have other associations in B. C., Alberta, Ontario and Quebec. They are strongest in Ontario and Quebec.

Each provincial association has different educational qualifications, ranging from a B.Comm. to no actual course work or examination. But membership depends on public accounting experience.

The Ontario group, for example, is trying to establish an accounting course so student APAs could be admitted and qualify for membership. Ontario membership now is limited to licencees under the Ontario Public Accountancy Act.

Ontario Foresters Elect J. W. McNutt

J. W. McNutt of North Bay has been elected president of the Ontario Professional Foresters' Association.

McNUTT

He succeeds F. L. Flatt of Kapuskasing.

The association was established in 1957 to maintain standards of forestry practice and to underline the role of the forester in forest resources management.

Mr. McNutt is a graduate in forestry from the University of Toronto and has been in the industry since 1932. He is president of **Wm. Milne & Sons Ltd.**, Temagami.

Elected vice-president is Gordon G. Cosens, Toronto, vice-president woodlands, **Kimberly-Clark Canada Ltd.**, and a former dean of the U. of T.'s faculty of forestry.

Newly elected councillors for 1961 are: southern section, A. J. Herridge, Toronto; central section, A. L. Best, Ottawa, and northwestern section, W. G. Cleavely, Sioux Lookout.

Elected for a two-year term, they will serve with present councillors Prof. R. C. Hosie, Toronto; J. S. Hazell, Blind River, and D. P. Cowan, Iroquois Falls.

Secretary-treasurer of the association is C. J. R. Wilde of Newmarket.

The association's fifth annual meeting will be held in Toronto next week.

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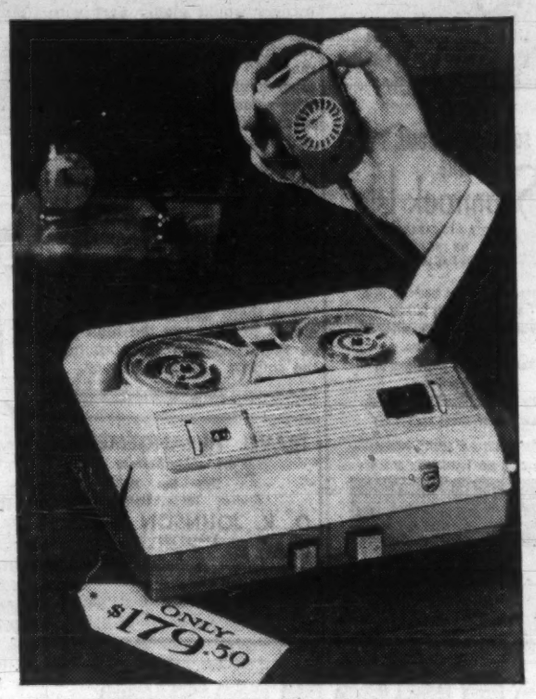

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Travel Tips

AUTUMN CRUISE by **Cunard** liner Caronia sails from New York Oct. 3 for 52 days, terminating at Southampton Nov. 24. The 15,000-mile voyage through the Mediterranean and/Black Sea will feature stops at 24 ports in 19 countries. Rates start at $1,100, including westbound transAtlantic voyage in a Cunard liner of the passenger's choice.

• • •

BARGAIN EXCURSION air fares are offered by **Icelandic Airlines** until March 31. The airline, not a member of the International Air Transport Association and therefore not bound by IATA fares, will feature reductions up to 21% on 17-day excursions from New York to Europe. Douglas DC-6B planes are used.

Castles for Free, But Watch Rub

They're giving castles away in West Germany these days.

If you would like a medieval home, complete with turrets, ramparts, ghost and a superb view of the Rhine, write to the Castles Association at Braubach and you'll be flooded with literature about hundreds of castles that titled (but impoverished) owners would gladly part with.

But there's a rub. In return for this free gift, you must agree to maintain your "noble pile" in its ancient glory. Since many are in very poor shape today, this could mean a fortune in repairs before you move in.

Even fixing up a smallish banquet room could cost you thousands.

Paneling, oak beams and ornate plaster work must be reproduced as nearly as possible in original style.

However, the Bonn government hopes there will be a lot of takers — to help pay the high cost of restoring—and maintaining—the country's ancient history.

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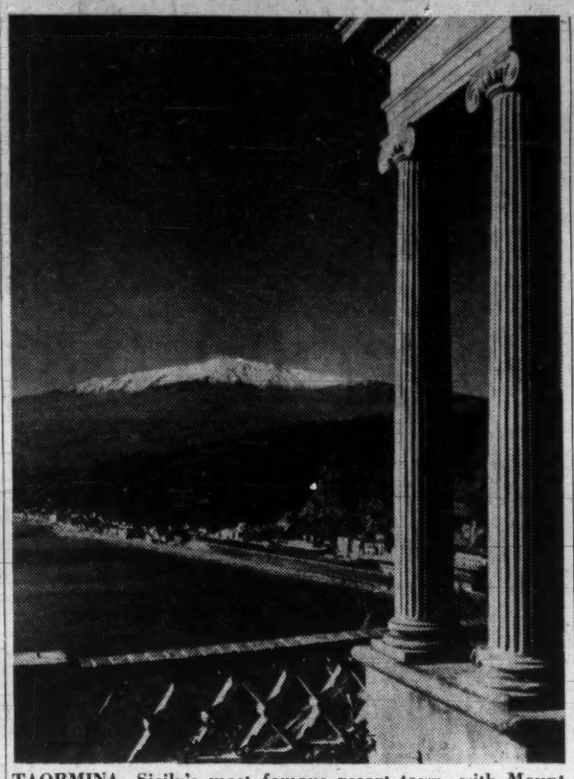
The Barbados Development Board will arrange interviews and information for the prospective investor.

Write for comprehensive literature on Industrial Investment or Hotel Development to Barbados Development Board, 550 Church Street, Toronto, or to P.O. Box 250, Bridgetown, Barbados, W.I.

POST TRAVEL BUREAU

Where to go—how to go—where to stay



TAORMINA, Sicily's most famous resort town, with Mount Etna in the background.

Sicily Winter 'Warm Spot' On Europe Trip

By BEATRICE RIDDELL

If you're planning a European business trip in the next few months, perhaps you are looking for a warm spot in which to relax after a busy round of appointments.

A good bet is Sicily. Its winter temperatures (55 deg. to 65 deg.) do not compare with the Caribbean. But it's one of the warmest, sunniest and driest places in Europe from January to March.

And the long, flower-rich spring provides many weeks of ideal resort weather.

It is easy to get there. By air, there are frequent connections from Rome, Naples, Milan or Tunis for Palermo's modern airport.

Or you can fly from London, via Paris, to Catania on the east coast of the island.

Roundtrip fares from Toronto to Palermo, via Rome, are $1,095.70 first class or $631.50 economy by jet, $987.70 or $577.50 by prop plane.

Fares for a 17-day excursion (to March 31) are $503.30 by jet, $473.30 non-jet.

CPA and **Alitalia,** incidentally, fly from Canada to Rome.

You can also travel by electric train from Rome or Naples to the toe-tip of the Italian peninsula, then by car-passenger ferry to Messina.

And if you have plenty of time, several steamship lines offer regular service from North American ports.

Once there, you can live well indeed for a fraction of what it would cost in the cities and resorts of the Italian mainland. The most luxurious hotels charge a top rate of $10 to $15 per person per day, including meals.

But you can also find good pension fare — with meals — as low as $10 a week.

Dinner at the best restaurants in Palermo seldom tops $3.50—and that's including excellent local wine, tips and taxes. Highlights in the food line are seafood of every description, and fruit and vegetables.

Marsala is the most famous wine, but others to sample are Corvo, Salapatura, the topaz-colored Albenello and Naccarella, Pachino (potent) and Floridia.

In the shops that line Palermo's busy Via Maqueda, finest Italian leathers, woolens, linens and high-style fashions cost far less than in Rome or Milan.

Car hire is now a thriving business in Sicily. Sample rate for a four-passenger Fiat 1100 is $8.65 a day plus 7c per kilometre.

Fifteen state highways, plus reclamation project roads (all good) link the main centres. And springing up along these busy arteries are modern motels.

Fast, efficient bus and diesel train services connect the major towns and cities.

Highly recommended are some of the special bus and rail tours. One to note is a five-day bus circling the island. A rail circuit of Mount Etna takes you to a height of 3,000 ft.

Be sure and see as much of this 9,925 sq. mi. history-rich island as you can. It is well known in modern times as the birthplace of the Mafia and as the springboard for the Allies occupation of Italy in World War II.

But it's ancient history goes back to the stone age, and there are some fascinating archaeological finds here.

Better preserved, and more beautiful, are the Greek temples and theatres (especially at Syracuse and Agrigento), Roman bridges and baths, Byzantine and Norman churches.

Places to stay:

• Palermo, the largest town and capital is in a lovely seaside setting with mountain backdrop. A sophisticated centre of art galleries, museums, opera house and good restaurants, it is also one of the warmest spots in winter.

But if you want a more peaceful setting, with city pleasures close at hand try one of the fine hotels at Lido di Mondello a few miles along the coast.

• Taormina, on the east coast probably has the loveliest setting in Sicily. It's built on a rocky ledge 600 ft. above the sea with the massive Mount Etna behind.

Long a fashionable resort for European tourists, its accommodation directory lists more than 60 hotels and pensions. There are three fine beaches all within easy driving distance from the hotels.

And for sightseeing excursions there are ruins of a famous Greco-Roman theatre built on a hillside overlooking the town, dozens of nearby medieval villages and Etna's great crater.

The much-publicized boast of this region is that any spring day you can ski on Mount Etna in the morning, swim from one of those three sunny beaches in the afternoon.

• In the Messina area are two well-known seaside resorts — Riviera dei Ciclopi and Lido di Mortelle. And there are others at Trapani and Agrigento.

• But for a get-away-from-it-all holiday where you are not likely to run into other North American tourists try the Lipari Islands north of Sicily. Regular boat service is available from Messina or Naples.

On Lipari Island, largest of the group, there are two or three small hotels charging less than $5 a day for a clean, comfortable room, three excellent meals and wine.

Smaller and even more remote are Panarea (with a 3,000-year-old village) and Filicuda (with a blue grotto three times the size of Capri's). Simple but good accommodation on these islands comes as low as $2 a day.

Airline Seeks to Link Ontario Points, Labrador

MONTREAL (Staff) — Two Canadian airlines are applying for permission to fly a network of services linking Montreal with a number of points in Ontario.

The long awaited Air Transport Board hearing began in Ottawa this week.

Nordair Ltd., subsidiary of **Maritime Central Airways,** is seeking permission to fly a Montreal - Kingston - Toronto run.

It also wants to be allowed to improve the Windsor-Sarnia-Toronto-London service it took over this month from Sarnia Airlines.

If it gets what it wants, Nordair will put new British-built turbo-prop Herald airliners into service.

If Maritime Central gets permission to link Montreal and Moncton — for which it intends to ask later — it will mean virtually one airline will parallel **TCA** from Windsor to the Atlantic, filling many present gaps.

Quebecair Ltd. wants to fly between Montreal-Ottawa-Kingston - Oshawa - Windsor. Originally it had asked for Toronto and London, but has now dropped them.

If Quebecair gets this route, it will offer a service from southern Ontario north - east through Montreal and along the St. Lawrence into the new boom areas of Quebec and Labrador. It, too, would use modern turbo-prop service.

Originally, the two applications tended to compete with each other. In their new form they are complementary, thus making it easier for the **ATB** to grant both.

Name Dunkelman To Second Term

Ernest Dunkelman, executive director of manufacturing for **Tip Top Tailors Ltd.,** has been re-elected president of the Men's Clothing Manufacturers' Association of Ontario.

Elected to the executive board: David Dunkelman, Tip Top Tailors, honorary chairman; Warren K. Cook, **Warren K. Cook Ltd.,** honorary president; Max E. Enkin, **Coppley, Noyes & Randall,** 1st vice-president; Joseph Giroux, Warren K. Cook Ltd., 2nd vice-president; Murray D. Levine, of Gainthill-Levine & Co., immediate past president; James C. Firth, **Firth Bros. Ltd.,** secretary; and Victor S. Alber, **Shiffer-Hillman Co.,** treasurer. Thomas Aplin is executive director.

DUNKELMAN

There's Optimism In Newfoundland

From Our Own Correspondent

ST. JOHN'S — Newfoundland has swung into 1961 on an optimistic note.

In the newsprint, fisheries and mining industries there are signs of new vigor.

A government-sponsored group is investigating establishment of a third paper mill but results of its deliberations are being kept secret until a formal report is issued.

It will be recalled that **Crown Zellerbach Corp.** held options on crown timber lands but, after surveys were undertaken, decided against erection of a mill.

Meanwhile to meet market demands, **Anglo-Newfoundland Development Co.** has put its mill at Grand Falls on a seven-day work week. **Bowater's Newfoundland Pulp & Paper Mill Ltd.** at Corner Brook has long-term firm contracts but its work schedule has not been expanded beyond the six-day week.

Newfoundland's mineral production in 1961 likely will exceed 1959's $80 million.

According to Premier J. R. Smallwood: "In addition to the asbestos mines at Baie Verte, there is a prosperous, growing copper mine at Tilt Cove, the Little Bay copper mine is expected to open soon and the Rambler mines are being made ready for production.

"As a result of exploration at the Terra Nova Mines, only 3 mi. from the asbestos development, we are likely to have another copper mine come into operation."

Outlook for fisheries is good, although their relative importance in the economy of the province is dwindling.

Landed weight of all species in 1960 was about 2.5% higher than in 1959 but value was up nearly 11% at $85 million.

Salted fish production was the highest since 1957 with Spain coming back into the market for "light-salted" at $12 to $15 per cwt. As the new year began, Spanish demands could not be met.

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'Pay-As-You-Go' Curling Rink In Shop Plaza

Special Correspondence

WATERLOO — An eight-sheet pay-as-you-go curling rink will be included in the $5 million Waterloo Sq. shopping plaza, now under construction here.

Richard Volk, project engineer, said the curling rink will be underground, facing a 24-lane bowling alley. It will have locker facilities and a cafeteria.

Waterloo will be the second Canadian city to get pay-as-you-go curling, he said. The other is Toronto.

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ALLEN T. LAMBERT

has been elected to the Board of Directors of Union Carbide Canada Limited. Mr. Lambert is President of the Toronto-Dominion Bank and a director of a number of Canadian companies. He is a Governor of York University, and is actively interested in welfare and community organizations.

SALADA GOT $150,000

Salada-Shirriff-Horsey has announced it received $150,000 in a cash settlement over fall-through of plans to buy a large holding of citrus-producing groves in Florida. Earlier Florida reports had suggested the out-of-court settlement was as high as $1.5 million (**FP**, Jan. 14).

What You Should Know About the New Europe

Emergence of trading blocs in Western Europe is shattering conventional trading patterns between Europe and the Commonwealth, including Canada. The process of change has just begun and may take new and surprising turns...

The prospects of rapid growth make the West Indies market an attractive one for its trading partners, which, in the context of a possible merger between the U. K. and the Common Market, is an important factor in the fledgling Federation.

Commonwealth preferences give real advantages to the U. K. (and, for the record, to Canada) and they give the West Indies a strong bargaining counter in any future negotiations.

None of the Federation's major exports, petroleum products, sugar, bauxite and alumina, would be much affected by European integration in any likely form. As a matter of fact, the West Indies could gain in any bargaining.

By The Economist Intelligence Unit, London

(Copyright for Canada, The Financial Post)

The Federation of the West Indies, which finally came into being in 1958, faces grave economic problems.

Though its members differ very markedly one from another in climate, geographical features and natural resources, they all suffer from the same difficulties.

Serious overpopulation in the West Indies produces pressure on the land, unemployment and widespread under-employment.

The foreign trade of each island is heavily dependent on only one or two main exports and national income per capita is at a low level, especially in the smaller islands.

The pressure of population is likely to become much more severe during the 60s and 70s, for the West Indies are faced with exactly the same kind of demographic situation as the Asian members of the Commonwealth — a decline in mortality without any corresponding fall in the birthrate.

The Federation has, on the other hand, advantages which Asia notably lacks.

Jamaica has within the last few years become the world's largest exporter of bauxite and alumina. The Trinidad oil industry has nearly trebled its overseas sales.

The flood of tourists, principally from North America, attracted by magnificent scenery and climate, shows no sign of diminishing. Tourism already ranks third as a foreign exchange earner, both in Jamaica, where the largest industry is situated, and in the Federation as a whole.

And finally, the West Indies have proved extremely attractive to foreign capital during the last decade. The net inflow of private capital has probably averaged not far short of £30 million annually since the mid-fifties.

The very big gains in income and output which these factors have produced have accrued largely to Jamaica and Trinidad, as a comparison of the volume of exports from various islands shows.

Between 1950 and 1957, the volume of Jamaican exports rose by no less than 180%. Between 1950 and 1956 exports from Trinidad rose by 66%. They fell sharply in 1957 but rose again to establish a new record in 1958.

Against this, Barbados shows between 1950 and 1957 an increase of 30%, the Leeward Islands 7% and the Windward Islands barely 1%. The latter were doing much better, brilliantly indeed, all things considered, until 1955, but all the ground gained was lost thereafter because of hurricane damage.

This pattern — of rapid expansion in Jamaica and Trinidad but painfully slow growth elsewhere — will continue into the sixties and beyond. But since the two larger islands predominate in population, production and trade, the prospects for the Federation as a whole may be considered extremely bright.

National output in Jamaica and Trinidad together rose by over 10% a year between 1951 and 1956. The rate of growth in the Federation as a whole was probably 1% less.

Meanwhile the value of exports was rising between 1950 and 1957 at an annual rate of 8%. This rate is likely to continue through the sixties. And if there is no change in the terms of trade, this means that the Federation's capacity to import will also grow at least as fast.

This is possibly the least favorable forecast.

If agricultural development, industrial development and the expansion of the tourist trade all get truly under way, the rate of growth could perhaps be almost 50% higher.

The effect of a full-scale industrialization program would, in particular, be very great. Such a program would necessarily be based primarily on imported raw materials and exported finished products, which would mean a very much larger volume of imports and a change in their composition with raw materials and semi-manufactures absorbing a larger share.

The prospects of rapid growth make the West Indies market, which is already worth well over £150 million in total, an attractive one for its trading partners, which, in the context of a possible merger between the U. K. and the Common Market, is an important factor.

Commonwealth Preference gives the U. K. real advantages, although other factors such as custom, specifications and financial arrangements are at least as important.

Thus Commonwealth Preference does give the West Indies a bargaining counter should they be released from their existing obligations to maintain it, and the U. K., if it were to release them, would be offering tangible advantages to other European countries.

On the other hand, none of the Federation's major exports, petroleum, sugar, bauxite and alumina, would be much affected by European integration in any likely form.

Trinidad sends less than 1% of its exports of petroleum and products to the Six, who have not yet decided on their tariffs in this sector.

A third of exports has in the past gone to the U. K., and this trade will not be affected by the EFTA nor would it be likely to be affected by a merger between the Six and Seven, although this would depend on the arrangements which the Six decide for petroleum and on the precise relationship of the Seven to those arrangements.

The market for sugar will remain controlled whatever the nature of European integration, and there seems to be no reason why the market for Commonwealth sugar in the U. K. should not be preserved and, indeed, increased.

The Commonwealth Sugar Agreement, which protects West Indian sales to the U. K., is after all only one of a number of similar agreements operating alongside the International Sugar Agreement.

Jamaica's alumina goes almost entirely to North America and will therefore not be directly affected by European integration, although, if the growth of Canadian aluminum production were restricted by a check to its exports to Europe, Jamaica could feel the backwash.

The chances of increasing sales to Norway may also be less good than they might have been.

It appears that the great bulk of West Indian exports should neither gain nor lose much as a result of European integration in its present form, but that for most of the agricultural exports a loss of the preferential position in the U. K. would be a severe blow.

A merger between the Six and the Seven would therefore have to allow that position, which depends on purchasing agreements as much as tariff preferences, to be retained.

The traditional agricultural exports of the West Indies were developed on the basis of very cheap labor. Labor is no longer so cheap and without the protected market they would lose to other tropical producers.

There is therefore a tendency to look on export policy as a means of maintaining West Indian privilege by political pressure.

Export policy, however, is not entirely static. Plans for greater agricultural efficiency and hence lower costs are very much in the air.

There is also a favorable attitude towards diversification, both in the seeking of new markets and in the export of new products. There is already a limited export of cheap manufactures. Such developments should provide the economy with new legs to stand on.

The West Indies will still want as much scope as possible to expand their exports.

They would strongly resist any reduction of their preferential markets in the U. K., while the type of concession that would please them most would be an increase in the negotiated price of sugar under the Commonwealth Sugar Agreement.

Jamaica and Trinidad both look on their own tariffs as a means of protecting infant industries, and they also have the weapons of quotas and tax remissions.

The Federation, as a member of the GATT, would be more inhibited in the manipulation of tariffs but would use other methods of protection.

There is no doubt that the West Indies have, in their tariff and quota policies as well as in the preferences which they grant the U. K., against the background of a swiftly expanding market, bargaining counters which could be used to improve their position in the Common Market.

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Hydrocarbons Expanding

Canadian Hydrocarbons Ltd. has agreed to purchase three Alberta subsidiaries of **Progas of Canada Inc.**, a U. S. incorporation.

The subsidiaries are **Progas Ltd., Progas Pipe Lines Ltd.** and **Stewart Petroleums Ltd.** The transaction is subject to approval of Progas of Canada shareholders.

Details of the purchase price, which will involve cash, stock and assumption of certain bank loans, will not be disclosed until Progas shareholders are formally notified.

It is understood that preparation of the offer may take at least a month.

The three Progas companies will be an important acquisition in providing further integration, additional annual sales of more than $1 million and efficiency in operations, R. A. Rich, chairman of Canadian Hydrocarbons, says.

Canadian Hydrocarbons' annual sales volume has been about $7 million.

Plans are underway for expansion of the new properties to handle additional volumes of natural gas and hydrocarbon byproducts.

Progas Ltd. runs a natural gas processing plant in Alberta to extract liquefied hydrocarbons from natural gas. Progas Pipe Lines operates a natural gas gathering system to transport gas to the plant.

Stewart Petroleums is a propane distributor in central Alberta.

NEW LOCATION

Twinpak Ltd. of Montreal has re-located its head office to a new building at 270 St. Joseph Blvd., Lachine. The 10,000 sq. ft. building will house executive offices, regional sales office, manufacturing and warehousing facilities, and a permanent "packaging show" incorporating new packaging products and ideas.

Five Canadian Firms Bid For U. S. 'Bullpup' Missile

From Our Own Correspondent

WASHINGTON — Canadian industry may get a crack at multi-million dollar orders for the new U. S. missile "Bullpup".

Five Canadian companies — **Canadair, Avro, De Havilland, Westinghouse** and **Bristol Aero** —are in the running for this missile business.

The "Bullpup", which is planned as a nuclear-tipped air-to-ground missile, may be used in the CF-104s Canada is getting for our NATO squadrons. Its major use, however, is for U. S. aircraft.

The U. S. Navy Bureau of Weapons is handling a program of "second sourcing" and while the Canadian companies may not become the second source prime contractors, they may wind up with significant pieces of subcontracting business.

Competition for the business, however, is tough. About 50 major U. S. defence plants are after the same orders. The Navy has put out the specifications for the missiles and has held a bidders' conference at which technical questions were answered by military officials.

The Navy may decide who gets the business by Feb. 1. Even if none of the Canadian companies grab the biggest share of the orders, they may be in line for subcontracting business from successful firms.

A lot of hopes have been pinned on the Canadian companies getting at least something out of the "Bullpup" business.

Aside from the immediate orders, it would break some new ground on the question of second sourcing for U. S. military hardware.

Canadiana Trend For Furniture?

Watch for greater emphasis on Canadian design in household furnishings.

A sign of the Canadiana trend in this field is a recent furniture design contest for students at Toronto's Ryerson Institute of Technology.

The contest was co-sponsored by Ryerson and two leading Canadian manufacturers—**Liberty Ornamental Iron Ltd.** Toronto (furniture) and **Cyanamid of Canada Ltd.**, Montreal (Formica).

Some 1,500 dealers across the country placed the top three contestants.

"Canadian design has been falling behind U. S. design," said Joe Frieberg, vice-president of Liberty. The result: Best potential designers are going south of the border.

Top three contestants: 1st — Gordon Harper, age 21, Toronto; 2nd — Mrs. Susan Black, 20, Toronto; 3rd — George Kater, 22, Montreal.

Turbine Order Goes to Inglis

From Our Own Correspondent

WINNIPEG — Contract for three 150,000 hp adjustable blade turbines for Grand Rapids generating station has been awarded to the English Electric division of the **John Inglis Co.** of Toronto.

Its bid of $2,691,000 was the lowest of eight from five countries. Others ranged from $2,750,000 to $4,590,000.

The Kaplan-type turbines — their movable blades adjust automatically to varying loads and pressures — will be the most powerful of their type in the world, the company said.

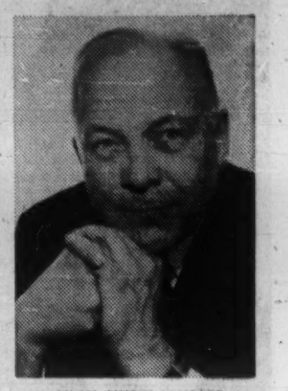
Manufacturing will start early in 1962 at the firm's Toronto and Scarborough plants. The Grand Rapids station is scheduled to go into service 1964.

SISCOE METALS

Siscoe Mines' silver-producing subsidiary, **Siscoe Metals of Ontario,** produced 1,420,144 oz. silver in 1960. Output is slightly down from $1,444,425 oz. in 1959.

ANNOUNCEMENT

EDGAR T. ALBERTS LIMITED APPOINTMENT



ALLAN AUSTIN LAMPORT

Edgar T. Alberts Limited are proud to announce the return of Mr. Allan A. Lamport to the business of insurance as Director of the A. A. Lamport Company.

While in public life and as a T.T.C. Commissioner, Mr. Lamport because of work required in these positions, found it necessary to devote his full time, and disposed of his interest in his Insurance Company which was purchased by Edgar T. Alberts Limited.

Mr. Lamport is now free to consider his own interests and his decision to return to the business which was his original study and which to him was a very real challenge, is a cause for gratification on the part of his associates.

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Dom. Tar Seeks to Acquire All of Howard Smith Common

MONTREAL (Staff) — **Dominion Tar & Chemical Co.** is offering to purchase the remaining common stock of **Howard Smith Paper Mills Ltd.** not already held by it.

Minority shareholders will be offered 2½ common shares of Dominion Tar for each common share of Howard Smith.

Recent price of Dominion Tar was $16 and of Howard Smith, $39½. Shares have moved up from $14⅜ and $36, respectively, at end 1960.

Terms and conditions of the offer have not been settled.

At Jan. 12/61, Dominion Tar held 61.6% or 1,145,121 shares of Howard Smith's outstanding 1,857,910 shares.

Dominion Tar initially acquired 33% equity interest in Howard Smith in 1956. Interest was increased to 53.5% in May/57, when the company offered to acquire up to 354,588 additional shares on the basis of 3½ Dominion Tar shares for each share of Howard Smith.

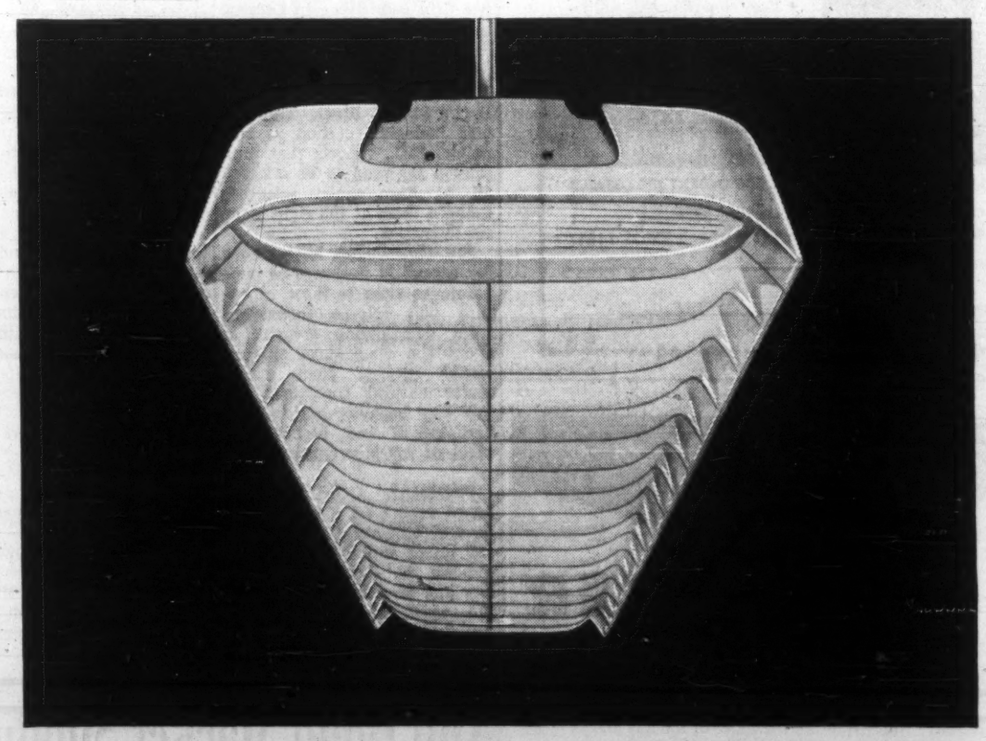
Integration of the facilities and services of the two companies is expected to be accelerated after the offer has been effected.

To put the full manufacturing facilities at the service of all customers, Howard Smith has merged the sales forces of its pulp and paper division.

Previously, **Alliance Paper Mills Ltd., Canada Paper Co.** and **Don Valley Paper Co.** had separate sales forces.

Further unification is planned. But **FP** understands subsidiaries will retain their corporate identity.

Dominion Tar has become exclusive sales agent for pentachlorophenol, a wood preservative to be manufactured by Naugatuck Chemicals division of **Dominion Rubber Co.**



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ANNOUNCEMENT

NORTHERN LIFE APPOINTMENT

N. J. DUNCAN, C.L.U.

The Northern Life Assurance Company of Canada is pleased to announce the appointment of Mr. N. J. Duncan as manager of the Company's Vancouver North Agency located in the Seymour Building. Mr. Duncan has had a wide and successful experience in the life insurance business both in the field and in management and is a L.I.A.M.A. Graduate, Chicago, 1956.

FIGHTS CORROSION

Canadian Hanson & Van Winkle, Toronto, has formed a new division dealing with corrosion resistant construction. Firm will market products of **Amercoat Corp.,** U. S. manufacturer of heavy duty protective coatings. Manager of new division is T. J. V. Cudbird.

FP reports on OTTAWA

What the federal government is doing to you and for you . . .

By DON PEACOCK

AFTER SOME preliminary skirmishing, Parliament this week got down to debate on the baby budget, presented Dec. 20, just before it went on its Christmas recess. Also scheduled to come up shortly for ratification is the Columbia River treaty signed Tuesday in Washington.

* * *

ALL TAXPAYERS take note: if your municipal or provincial government carries out construction work without inviting competitive tenders, it's probably costing you more, says Jack M. Soules, president of the Canadian Construction Association.

* * *

FIRST NHA LOAN toward university housing construction, $905,972, went to Brandon College, Brandon. Man. (where Resources Minister Walter Dinsdale used to teach). For dormitory accommodation and dining hall facilities, the loan is repayable over 50 years at 5⅛% interest.

* * *

WHEREVER he goes these days, Finance Minister Fleming keeps making the same point about his supplementary budget: **"These measures are not designed to restrict foreign investment.** Nor are they intended as a prelude to action to restrict foreign investment.

"Canada will continue to maintain a climate hospitable to foreign investment."

* * *

IF FEDERAL winter works program swells to the expected level where it will provide 100,000 new on-site jobs, federal authorities say this will mean another 100,000 new off-site jobs in kindred activities.

* * *

THE ARMY last weekend started the first of three major winter exercises. **With RCAF co-operation a force was parachuted and air-landed at Camp Petawawa, Ont., to engage an entrenched "enemy" force.**

A similar exercise will be held at Camp Wainwright, Alta., in early February and later that month at Camp Valcartier, Que.

Troops in all exercises live in the open for up to a week, move by foot, hauling tents, fuel and equipment on toboggans.

* * *

CANADIAN postage stamp issued last May to commemorate the stand of Dollard Des Ormeaux and his companions at the Long Sault has been selected as best of the year. Selection was made by L. E. Scott, outstanding British philatelic authority, for the 1960 list of 10 best for Stamp Collector's Annual, published in London.

Designer of what Scott describes as "a little masterpiece" is Philip Weise, a native of Quebec City now living in Ottawa.

* * *

SALMON RUNS may be increased by a discovery at Kleanze Creek hatcheries on B. C.'s Skeena River. The federal biological station at Nanaimo, B.C., reports that pink salmon fry used to be released all at once when scientists thought them at the right stage for migration.

But experiments have shown fry reared in darkness at temperatures close to those in nature will release themselves from overflowing troughs at about the same stage as they would emerge from gravel under natural conditions. In this way behavior patterns are undisturbed and higher survival of fry is promised by it.

* * *

FEDERAL CONCILIATION board report on a wage-hours dispute between the bus drivers' union and the CNR on its red-ink St. Catharines (Ont.) city bus service points out that **the publicly-owned railway plans to drop the operation when its franchise expires Aug. 31.**

* * *

JUSTICE MINISTER Fulton has made it official: Businessmen should think of the anti-combines director (Dave Henry) as their friend and counselor, not their sworn enemy.

Fulton said: "I do not want him — nor I am certain does he want — to become a sort of grand inquisitor-cum-arbitrator of the economic scene."

And: "I do not want the commerce of this country to regard the combines branch as a Bastille, from whose doors there is no return."

* * *

TEXTILE, FOOD and pharmaceutical industries may one day use a mild detergent made by combining the amino acids of herring scales with fatty acids. The federal fisheries research station at Halifax cautions, however, that its experiments at converting herring scales into detergent are still in the exploratory stage.

* * *

Between Dec. 1/59, and Dec. 1/60, the consumer market in Canada increased by 370,000 persons. DBS reports Canada's population last Dec. 1 had reached 18,020,000, a 2.1% increase in the 12-month period.

Rambler Plant Sets Pace For Low-Cost Production

By RALPH YOUNG

A plant that points the way to lower-cost production of motor vehicles in Canada and may help to increase this country's automobile exports is swinging into full-time production at Brampton, Ont.

It is the new facility that **American Motors (Canada) Ltd.** is just completing at the low (for the car industry) cost of $3.5 million.

That expenditure provided 246,000 sq. ft. of floor space, production equipment for the 186,000 sq. ft. of factory area, offices and a parts warehouse.

"This is not a show plant. There's no chrome plating. Nor are there any of the monstrous, costly machines that auto makers like to show visitors," said Harry Shotton, works manager.

"It was designed for utility, to build high quality cars at the lowest possible cost. Relatively low capital investment will help materially to keep our overhead per car down."

Economical operation has been designed into the plant.

Individual gas space heaters are used instead of steam heating. This reduced initial expense and annual amortization costs, and eliminated salaries for operating engineers.

The plant is one of the largest consumers of natural gas in Ontario.

There is no automation in the accepted sense. The equipment is new and modern, much of it operated automatically, but each machine is a unit. That makes the plant very flexible, when increased production becomes necessary.

Controls are mounted on columns, not on fancy cabinets.

Production space can be increased by knocking out one wall, extending the lines and enclosing them with a building. Company owns 40 acres of land.

The plant is geared initially to 32 cars per day, about 10,000 per year, one shift.

Two-shift operation at an increased rate could boost it to more than 25,000.

This could be doubled easily with added facilities, making American a contender for third place in the Canadian auto industry, officials claim.

"Production of our Ramblers in Canada will release, immediately, $1 million a month into the Canadian economy," said Earl K. Brownridge, executive vice-president and general manager of the Canadian subsidiary.

"We'll start with about 45% Canadian content in the Rambler Classic models we are now building.

"Detroit has given us complete freedom to increase the Canadian content of our cars to the limit that is economically possible."

Although no cars will be built for export immediately — "until we prove to Detroit that we can build them economically"— Brownridge has his eye on about 4,000 annual production of right-hand drive cars in the parent corporation's Kenosha plant.

He is confident that this can be moved to Canada, within a year or two.

The parent company plans to allow Canadians to participate in earnings of this subsidiary "after we have shown that we can make money here," Brownridge said.

This might be in the form of a stock issue, or an issue of debentures with rights to purchase stock later. But it probably won't come for at least two years, he said.

Buoyant about prospects for Rambler-sized cars in Canada, Brownridge predicted that sales of smaller foreign-built cars would fade.

"Imports without a proper dealership organization will start to drop out of the Canadian market this year. And there'll be more large cars to follow Edsel and De Soto into oblivion within the next three or four years."

ANNOUNCEMENT

CONFEDERATION LIFE APPOINTMENTS

J. C. DAVIDSON R. M. BELL R. G. STITT

Confederation Life Association announces the appointment of J. Craig Davidson, FSA, as Vice-President, with continuing responsibility for electronic planning. Mr. Davidson joined the company in 1938, becoming Associate Actuary in 1951 and Executive Secretary in 1953. R. Murray Bell is appointed Vice-President and General Counsel. Mr. Bell entered the legal department in 1948 and was appointed General Counsel in 1957. R. Gordon Stitt, CPA, has been named Data Processing Executive. Entering the accounting area in 1933, Mr. Stitt was in 1956 appointed Co-ordinator of Electronics.

Oil-Fired Melters for Snow Disposal

MONTREAL (Staff) — New devices to battle snow, a $5 million annual headache in Montreal, are being studied (**FP,** Jan. 25, 1958).

Results will be closely watched by other municipalities, especially those with not enough dumping space.

Plagued by an annual fall of 110 in., heaviest of any major city in the world, Montreal this week began using an oil-fired portable melter experimentally.

And it opened discussions with **Quebec Natural Gas Corp.** on the feasibility of gas-fired permanent installations.

Late last winter suburban Outremont installed a gas melter with capacity of 127 tons of snow an hour and it is still being operated experimentally.

It is understood costs have exceeded the estimate of 60c a load (**FP,** March 19/60).

Miscalculations of weight may have been a factor. Snow, as it falls, weighs 6-8 lb. cu. ft.

Handled by plows, it weighs as much as 20 lb. cu. ft., and by blowers as much as 40 lb. cu. ft.

Montreal's experimental oil-fired melter is a U. S.-built device of a type used successfully at LaGuardia Airport, New York.

The Montreal melter is installed over a basin 6 ft. wide, 12 ft. long and 5 ft. deep, connected to a trunk sewer.

If found practical portable melters could be used wherever there is sufficient sewer capacity.

Economy in melting is achieved only when the snow is reduced to slush which can be carried away by water to collector sewers. There the flow of sewage completes the melting.

Montreal dumps 30% of the snow from downtown streets and from main arteries and bus routes into the St. Lawrence River, about 20% directly into sewers.

Balance is carted to city-owned lots where often it remains until late spring.

Snow from residential streets is blown onto lawns.

Because of the high cost of trucking snow from congested areas, Montreal is searching for alternative methods of disposal.

Melters would seem to be the solution, if economical.

Montreal's annual $5 million snow bill includes $1 million for maintenance of some $8 million worth of equipment and $1 million for spreading of sand and salt.

PEACE RIVER PETE

Peace River Petroleums participated in drilling of two wells completed as producers, with **B-H Petroleums (Alberta),** in year to Sept. 30. Company plans to retain 50% interest in B. C. leases carried with **Richfield Oil Corp.** Peace River's deficit was $897,715 at Sept. 30.

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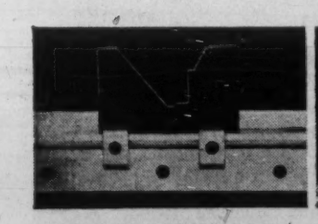

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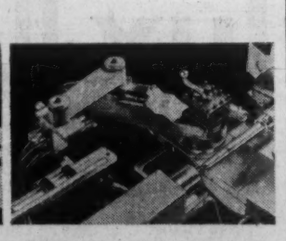

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U.K. Stocks Irregular And Bond Market Subdued

Special Correspondence

LONDON—Although there is still a marked reluctance to sell, U. K. stock markets have become irregular again, following a moderate rise early in the month.

News from the motor industry has been discouraging and there remains the threat of a big capital issue by **Imperial Chemical Industries.**

Government bonds have been subdued and there has been no sign of a revival of overseas interest in this section. Buying from abroad, notably the U. S., helped to stiffen the bond market last autumn.

Gold shares have been firmer and more active on the rise in the price of gold on the London bullion market. There has been moderate support for oils.

This year's bank reports contain the usual warnings about inflation and excessive government expenditure.

Chairman Anthony Tuke, of **Barclays Bank,** wants a more flexible approach to bank liquidity ratios. The accepted 30% ratio is a survival from the past and Mr. Tuke thinks a wider swing could now be tolerated.

The banks could then increase their lending and help exports, without embarrassing the bond market.

Here are recent Canadian prices for some leading securities:

(Supplied by Wisener, Mackellar & Co., Toronto)

	Recent Bid	Recent Ask	Jan. 9 Bid	Dec. 12 Bid
Industrials:	$	$	$	$
Bowater Paper	7⅛	7⅞	7½	7
CPR 4% nc pref	1.66	1.71	1.68	1.65
Courtaulds	5⅞	6⅛	6	5¾
Daily Mirror "A"	1½	1¾	1⅝	1⅜
Hawker Siddeley	3⅞	4¼	3⅞	3¾
Hudson's Bay Co.	20¼	21¼	20¼	20½
Imperial Chemical	9.03	9.25	9.00	9.13
Motors:				
British Motor	2⅛	2⅜	2⅛	1⅞
Ford Motor	19¾	20¼	19¾	19¼
Jaguar	9⅝	10⅛	9⅝	9¼
Oils:				
British Petroleum	6¾	7¼	6⅞	6¼
Shell Trans & Trading	19	19½	18½	17¼
Royal Dutch	36¼	36¾	34½	31½
Steels:				
Colvilles	9⅝	10⅛	10	9
Dorman Long	5¼	5¾	5⅝	5⅜
Steel Co. of Wales	5⅜	5⅞	5⅝	5⅜
Stewarts & Lloyds	7	7½	7	5⅝
John Summers	7¾	8¼	7⅞	7¾
United Steel	8	8½	8	10⅛
South African:				
Free State Geduld	16⅛	16⅞	16¼	16¾
Blyvoors	4.20	4.40	4.10	4.13
President Brand	8⅞	9¾	8½	8¼
Gov't. Bonds:	—	$ per £100	—	—
Convers. 5/71	248	251	250	247
Transport 3/78/88	164	167	165	164
Victory 4/76	258	261	261	256
War 3½ Perpetual	160	163	163	163

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Larose & Larose, Montreal
Consulting Engineers: LeBlanc & Montpetit, Montreal
Wiggs, Walford, Frost & Lindsay, Montreal
General Contractors: Foundation Company of Canada Limited, Montreal

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Bouchard & Robitaille Inc., Montreal

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Businessman leaving for West Indies, Caracas, Lima and possibly other major cities in Latin America. Interested in representing Canadian manufacturers of plastic toys, sporting goods, plastic novelties and cellophane bag converters; interested in establishing agents or connections through the writer.

Will be in Toronto during week of January 23rd. Apply

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Apply in first instance to
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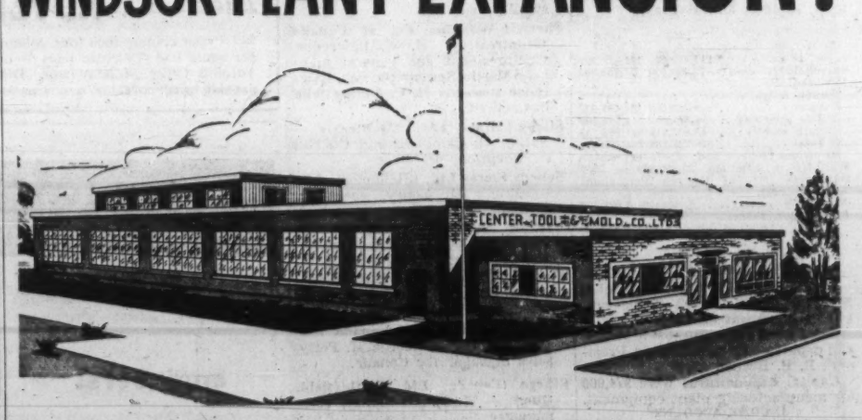

Shown above is an artist's drawing of the new and larger building recently constructed for Center Tool & Mold Co. Ltd.

In 1954, Center Tool & Mold Co. Ltd., began producing plastic injection and compression molds, dies for die casting and stamping. At that time, they leased space and had only a few employees. In the six years since then, Center Tool & Mold's business developed to the point where the new 8000 sq. ft. building, shown above, had to be built. Their new and completely modern building is nine times as large as the space they first occupied—and, their work force has increased by twelve times.

Center Tool & Mold Co. Ltd., is another fine example of the industrial development taking place in Greater Windsor, Canada's fifth manufacturing community.

For complete details about Greater Windsor and its Industrial Opportunities, contact M. A. Elder, Industrial Commissioner.

GREATER WINDSOR INDUSTRIAL COMMISSION
369 Pelissier St., Windsor, Ontario

'Which Kind of Report?' Probe Problem

OTTAWA (Staff)—The Royal Commission on Transportation this week faced a hard choice, forced on it by the cabinet directive to report by March 31.

This is six weeks before the expiry date of the legislation suspending strike action by the non-operating railway unions.

The choice:

- Whether to submit a "barebones" report, i.e., recommendations together with an absolute minimum of supporting data, by March 31, and follow it up six or eight months later with a substantial explanation, or . . .
- Go all out to try to produce a "final report" by March 31, i.e., recommendations with as much explanation as time permits.

Sources close to the commission feel that both courses have disadvantages:

Course No. 1, a brief preliminary report now is likely to run into the difficulty that a commission's preliminary report, in the eyes of the public, tends to become the final one.

Examples: both Borden and Gordon commissions preliminary reports were far more widely publicized than the final reports.

Course No. 2, "final report" now means trying to distill the essence of 18 months of hearings (during which 30,000 pages of testimony was presented) into a reasoned document, print, proofread and publish it, all in less than two months.

At midweek, the commission held its last public sittings. Rebuttal material is to be submitted in writing Jan. 21. Final arguments may be submitted, also in writing, up to Feb. 10.

The commission possibly could produce a "barebones" report within a week or two of the submission of final argument, FP understands.

This would contain little else than recommendations which might, or might not, help the cabinet to avert a strike by the non-operating railway unions.

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Important appointments in Canadian Industry, Finance, Business and Government

Alaska-Yukon Pipelines Ltd. (Vancouver)—Joseph P. Yates, executive vice-president.

Anthes Steel Products (Toronto) — S. H. Bonser, general manager; K. Jagger, sales manager.

Associated Screen Industries Ltd. (Montreal) — James Weatherby, sales manager and technical consultant.

Atlas Steels Ltd. (Welland, Ont.) — W. A. Thomas, transferred to the company's corporate staff and will have functional direction of production activities of Atlas Steels and subsidiary companies; Arthur C. Rae, vice-president and general manager, Atlas North American Division; F. Peacock, general manager, Atlas International Division; George C. Olson, works manager, North American Division; Bruce M. Hamilton, manager, metallurgy; Allan V. Orr, manager, marketing.

British Oxygen Canada Ltd. (Toronto) — James Barr, manager, technical services.

Canada Life Assurance Co. (Toronto) — J. G. Fleming and R. D. Radford, executive assistants, securities; F. W. C. Irwin, executive assistant, mortgages; J. M. Goodwin and A. F. H. Young, assistant accountant officers; J. A. Morrow, advertising executive.

Canada Permanent Mortgage Corp. (Toronto) — C. F. Honeyman and D. Brown, assistant general managers; George S. Hawkins, manager, Halifax branch of both **Canada Permanent Mortgage Corp.** and **Canada Permanent Trust Co.**

Canada Permanent Trust Co. (Toronto) — John W. Millar and J. E. Nadeau, assistant general managers.

Canadian Bankers' Association (Toronto) — J. Harvey Perry, executive director.

Canadian Ingersoll-Rand Co. (Montreal) — D. C. Crothers, chief engineer, compressor sales.

Canadian Motorola Electronics Co. (Toronto)—John F. Hooper, manager, mobile sales; Gust Landstrom, assistant manager, mobile sales.

Canadian National Railways (Montreal) L. S. McGregor, chief of motive power and car equipment.

Carling Breweries Ltd. (Toronto)—Armond J. Fitzgerald, marketing planning manager.

Chambers of Mines (Edmonton) — L. W. White, president; E. E. Bishop, W. B. Dingle, W. C. Howard, H. E. Lake, R. G. Meldrum, S. L. Melton, A. G. McLarty, Douglas McLennan, N. P. Pallesen and A. R. Pearson, directors.

Claude Neon General Advertising Ltd. (Montreal) — H. Gordon Richards, national account supervisor.

Commercial Credit Corp. (Toronto) — J. F. O'Donnell, manager, industrial finance and leasing department.

Confederation Life Association (Toronto) — J. Craig Davidson, vice-president; B. T. Holmes, vice-president and chief actuary; R. Murray Bell, vice-president and general counsel; G. G. Myer, Edward Ruse and Wilford James D. Lewis, actuaries; George W. Chalmers, underwriting officer; R. G. Stitt, data processing executive.

Consolidated Paper Corp. (Montreal)—Donald B. Foss, vice-president in charge of manufacturing.

Cornmarket Press Ltd. (Montreal)—Michael Crombie, Canadian sales representative.

Corporate Investors Ltd. (Toronto) —Rhys M. Sale and Albert C. Ashforth, directors.

Crown Life Insurance Co. (Toronto) —J. M. Breen, superintendent of agencies; E. W. Sharp, superintendent of training; W. P. Hobbs and A. V. Faulkner, assistant superintendents of agencies; D. R. Johnston, assistant actuary.

Dominion Steel and Coal Corp. (Ville St. Pierre, Que.)—J. Claude Allard, assistant comptroller.

Electric Furnace Plants (Chippawa, Ont.) — H. R. Montgomery, assistant general manager.

Fry-Cadbury Ltd. (Montreal) — Douglas H. Cohoon, vice-president and managing director.

General Tire & Rubber Co. of Canada (Toronto) — Gordon S. Pover, controller, **Industrial Products Division (Welland, Ont.).**

Guaranty Trust Co. of Canada (Toronto) — David B. Mansur, director.

C. F. Haughton Ltd. (Scarborough, Ont.) — Alan W. Young, director.

International Power & Engineering Consultants Ltd. (Vancouver) — Walter J. Gilson, director.

Jack Waite Mining Co. (New York) —John C. Doyle, chairman; William H. Roxburgh, director.

Kensington Industries Inc. (Montreal) — J. O. McArthur, vice-president.

Leeds & Northrup Canada Ltd. (Toronto) — Joseph M. Jackson, vice-president and general manager; J. R. Gowen, assistant vice-president and assistant general manager; R. C. Park, assistant treasurer and assistant secretary; J. W. Robinson, joint managing director, **Leeds & Northrup Canada Ltd.** and **Leeds & Northrup Ltd. (U.K.).** Mr. Robinson was also elected vice-president, **Leeds & Northrup Co. (Philadelphia).**

McCulloch Corp. (Los Angeles) and McCulloch of Canada (Toronto) —George P. Eichelsbach, executive vice-president; Joseph L. Hegener, chairman of the executive committee; Harry N. Walker, vice-president and general manager, Canadian operations.

Montreal Stock Exchange (Montreal) — Maurice R. Hecht, vice-president, statistics and research.

Montreal Transportation Commission (Montreal)—Richard Mineau, assistant general manager; J. W. Lagacé, director, administrative services; Jean H. Richer, director, transportation department; W. R. Simmons, director, plant and engineering department.

Nesbitt, Thomson and Co. (Montreal)—R. H. Dean, chairman, succeeding D. K. Baldwin who will continue with the company as a consultant; L. J. Keating, N. E. Lane and J. L. Mackee, directors.

Northern Life Assurance Co. (London, Ont.) — N. J. Duncan, manager, Vancouver North agency.

Pacific Petroleums Ltd. (Calgary) — John Getgood, president; George L. McMahon, vice-chairman.

Pedlar People Ltd. (Oshawa, Ont.) — M. C. Finley, vice-president manufacturing, succeeding J. A. Morphy who has retired; J. B. Reid, vice-president finance and secretary-treasurer; A. S. Reed, vice-president sales.

Pitman-Moore of Canada Ltd. (Don Mills, Ont.) — Robert W. Wight, sales manager.

Provincial Bank of Canada (Montreal) — Raymond Primeau, assistant to the general manager.

Prudential Insurance Co. of America (Newark, N.J.)—Louis R. Menagh Jr., president.

Quebec Forestry Association (Quebec)—Robert Raynauld, president for a fourth consecutive term.

Radio Station CJAD (Montreal) — M. Wallace McCutcheon, Hon. George B. Foster and Pierre P. Daigle, directors.

Reynolds Aluminum Co. (Cap-de-la-Madeleine, Que.)—B. B. Gralow, director.

Royal Bank of Canada (Montreal)—A. F. Mayne, executive vice-president and director; Hon. P. H. Bouffard, W. O. Twaits and C. N. Woodward, directors.

A. H. Sainsbury & Co. (Toronto) — A. V. Sainsbury, chairman; T. Grant Small, president.

Shawinigan Water and Power Co. (Montreal) — J. M. Sharp, executive assistant, production and power operations; Ralph F. Brooks, manager, system operating department; J. M. Crawford, manager, system planning and engineering department; A. W. Peters, chief engineer, distribution supply planning.

Sherwin-Williams Co. of Canada (Montreal)—J. H. W. Lawrence, vice-president and general manager **Martin-Senour Co.** Mr. Lawrence succeeds H. C. Culley who has retired.

Siscoe Mines Ltd. (Montreal) — Arthur H. Campbell and Charles A. Robinson, directors.

Sobeys Stores Ltd. (Stellarton, N.S.) — Frank H. Sobey, chairman; William M. Sobey, president; Leslie Sharp, vice-president and general manager; David F. Sobey, vice-president, merchandising.

Standard Tube and T.I. Ltd. (Woodstock, Ont.) — Charles S. Maclaren, comptroller.

Stokely-Van Camp of Canada Ltd. (Essex, Ont.) — George M. Petty, sales manager for Canada.

Sturge (Canada) Ltd. (Valleyfield, Que.) — W. R. De Celles, sales manager.

Taylor Instrument Companies of Canada (Toronto) — E. Jack Sheare, president of the Canadian Co.

Ther-A-Pedic Associates (Elizabeth, N.J.) — G. H. Giddings, president.

Thomas Adams Distillers Ltd. (Montreal) — Peter G. Snyders, Quebec sales manager.

Trans-Canada Corp. Fund (Montreal) — Lucien Lachapelle, vice-president; H. J. O'Connell and Lucien Benoit, directors.

Trans Mountain Oil Pipe Line Co. (Vancouver) — Eric S. Davis and R. F. Bruce Taylor, vice-presidents of the company and its subsidiaries.

Union Carbide Ltd. (Toronto) — Allen T. Lambert, director.

York University (Toronto) — Edgar Gordon Burton, Mrs. John David Eaton, Bertrand Gerstein, John Morgan Gray, William Mahoney and William Flavelle McLean, new members of the board of governors.

Company Reports

Financial

CANADA PERMANENT MORTGAGE CORP., Toronto, net profit in 1960 was $2,109,210, up 3.9%.

Assets gained over $26.8 million to top $230.2 million. Mortgage loans increased by $25.5 million to $179.9 million.

Profit growth was limited by continued high interest rates on borrowings and increased operating costs, say President R. L. Warren and General Manager C. F. Mackenzie.

Interest on savings accounts was raised to 3½% from 3%.

Sum of $500,000 was transferred to investment reserve.

New branch office was opened in Kitchener, another is being opened in Toronto. New premises are expected to be completed soon in Victoria, London and Halifax.

	1960 $	1959 $
Liabs. to pub., etc.*	211,459,098	184,628,197
Shareholders' equity	18,769,090	18,759,880
*Secured by:		
Mtges. & sls. agree. ....†..	179,921,243	154,424,938
Office premises ..	4,847,000	4,798,000
Liquid assets‡ ...	45,459,945	44,165,139
Total	230,228,188	203,388,077
‡Includes bonds and stock of which $2,437,500 in 1960 and $2,460,000 in 1959 represents shs. of Canada Permanent Trust, at cost.		
Net profit	2,109,210	2,029,572
Earned per Share .	$2.63	$2.53
Paid	2.00	2.00

Merchandising

G. E. BARBOUR CO., Saint John, N.B., net profit of $302,715 for year to Oct. 31/60 was up 4.4%.

Sales were up, with most branches and departments contributing, President R. B. Brenan says.

Capital expenditures were $74,000 for manufacturing plant equipment.

INCOME ACCOUNT

Years Ended Oct. 31:	1960	1959
Net earnings	$662,817	$623,993
Less: Depreciation ...	49,854	39,978
Interest	36,248	38,995
Income tax	274,000	255,000
Net profit	302,715	290,020
Less: Pref. divds. ...	41,273	41,273
Class A divds.	55,944	55,944
Surplus for year	205,498	192,803
Times Interest Earned:		
Before deprec.	18.29	18.00
After deprec.	14.91	14.98
Earnings per Share and Dividend Record:		
Pref.	$4.03	$3.86
Paid	0.55	0.55
Class A†	3.27	3.11
Paid	0.60+0.10	0.60+0.10
Class Be	5.04	4.72
None paid.		
†Before (after) participation.		
Shares o/s at Oct. 31:		
5½% Pref., $10 par	75,042	75,042
Class A, n.p.v.	79,920	79,920
Class B, n.p.v.	39,960	39,960

BALANCE SHEET—MAIN ITEMS

As at Oct. 31:	1960	1959
Cash	$206,119	$124,645
Inventories	3,181,648	2,146,036
Total curr. assets ..	3,826,292	3,781,504
Invest. in subsid.	302,000	342,000
Fixed assets*	596,025	571,938
Total assets	4,824,327	4,645,442
Total curr. liabs. ...	1,188,338	1,135,505
Funded debt	750,000	800,000
Capital stock	850,320	850,320
Earned surplus	2,065,568	1,860,070
*After deprec. of ..	678,952	629,068
Working capital	2,767,883	2,906,452

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

POSITIONS WANTED

MARKETING EXECUTIVE

Seeks opportunity with a progressive small to medium-sized company having expansion potential. Background includes general administration and many years successful experience in marketing at retail and distributor levels throughout Canada. Willing to relocate anywhere.

BOX 661, THE FINANCIAL POST, TORONTO

EXPANDING SALES OR PLANT OPERATION TO U.K. AND EUROPE?

Canadian businessman, 41, twelve years import-export, sales promotion, market research and management consultant experience in Canada and U.K. Business trips annually to U.K. since 1947. Anxious to contact firms interested in entering or expanding in U.K. and European markets. Will re-locate as required. Excellent references.

BOX 647, THE FINANCIAL POST, TORONTO

TO THE PRESIDENT

I WOULD LIKE AN OPPORTUNITY TO HELP YOU INCREASE SALES

Successful sales and management record. Presently employed.

Let me send you further details of my business experience.

BOX 633, THE FINANCIAL POST, TORONTO

AVAILABLE IMMEDIATELY

Reliable, conscientious salesman, 10 years experience contacting automobile manufacturers and industrial accounts in Ontario.

BOX 648
THE FINANCIAL POST, TORONTO

CHARTERED ACCOUNTANT

Recent graduate, age 24, seeks re-location in industry, preferrably internal audit. Travel no object.

Box 655, The Financial Post, Toronto

SALES executive would like position with company who offers top management opportunity potential, Good contacts, salary open, degree in Business Administration, experienced in plant management, purchasing, planning, traffic, etc.

BOX 646, THE FINANCIAL POST, TORONTO

ARCHITECTURAL SALES

In States for past year. Making move and would prefer to return to Ontario. Experience in sales management and sales promotion in the Architectural profession. Architectural contacts throughout Canada. Detailed information on request. Reply to:

Box 627, The Financial Post, Toronto

AMBITIOUS

University graduate, age 28, with B. Comm. Degree and top-level sales experience. Seeks sales or management training position with possibility of future participation in ownership.

Box 679, The Financial Post, Toronto

PURCHASING AGENT

15 years experience in all phases of purchasing. Presently employed. Would prefer to join a company where experience could be put to good advantage. References.

Box 676, The Financial Post, Toronto

PRODUCTION MANAGER INDUSTRIAL ENGINEER

Executive with proven ability in factory management, production control, cost control, able to manage, instruct staff, install control systems, desires position, Metro Toronto or Southern Ontario. Available January 31, 1961.

Box 674, The Financial Post, Toronto

METALLURGICAL ENGINEER

P.Eng. 15 yrs.' experience as chief engineer and plant manager of light metal and steel foundries. Fully qualified to direct production, sales and engineering sections, strong on production development and quality control. Experienced in defence contracts.

Box 670, The Financial Post, Toronto

PROFESSIONAL ENGINEER

Graduate in Mining, 7 years' diversified experience in petroleum industry (drilling, production, land evaluation). Mostly Western Canada. Interested in challenging position any allied line. Canadian, age 30, will relocate.

Box 671, The Financial Post, Toronto

CREDIT AND COLLECTION MANAGER

Retail and commercial. Seeks challenging position. Canada wide experience. County and small debt court knowledge in each province. Extensive experience in Province of Quebec. Accustomed to volume. No objection to travelling.

Box 667, The Financial Post, Toronto

GRADUATE ENGINEER MECHANICAL

Travelling to Africa, India, Australia and the Far East. Seeks inquiries from industries and business, large or small interested in exporting, importing or expanding.

Box 663, The Financial Post, Toronto

SENIOR EXECUTIVE

Available for position in keeping with ability and experience, or as financial consultant. Age 60. Health and habits good. Long career as General Manager and President. References available.

BOX 662, THE FINANCIAL POST, TORONTO

EXECUTIVE AVAILABLE

Experienced advertising agency executive seeks responsible position in marketing, general or association management. Well rounded background in advertising, sales promotion and public relations for industrial and consumer products and services. University graduate, 49, first class personal and business references. Toronto location preferred. Will supply resume on request.

BOX 668, THE FINANCIAL POST, TORONTO

DISPLAY ADVERTISING RATES

$11.76 per column inch (one column wide x one inch deep) or 84 cents per agate line (14 agate lines = one column inch.) Copy must be in Toronto Office Monday a.m. **Display advertising in this section is payable in advance.**

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

POSITIONS AVAILABLE

engineers!

chief research eng'r. metallurgy and physics. creative thinker to develop and carry thru new products. to $9,000+

research metallurgist, to $9,000+

B.Sc. or Mech.E., to assist.

these are urgent requirements.

3 electrical eng'rs., with 2-3 yrs. exp. for sales positions with top company. 2 relocate.

a. g. heighington, 106 yorkville, toronto 5

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

POSITIONS AVAILABLE

PAINT SALES

Sales Manager to take complete charge of Ontario division of an International Paint company. Familiar with both decorative and product finishes. Knowledge of dealer organization an asset. Future assured to man with experience and energy. Salary commensurate with responsibilities. Company car and other benefits available. Toronto location. Apply in absolute confidence with full details in first instance to

BOX 666, THE FINANCIAL POST, TORONTO
Our employees know of this advertisement.

CITY MANAGER

The City of Edmundston, N.B. (Population 12,000) requires a City Manager — Bilingual. Please reply stating qualifications, experience, age, marital status, salary expected and other pertinent information. All replies will be held in confidence and should be addressed in writing to:

LOUIS R. HEBERT
CITY CLERK, EDMUNDSTON, N.B.

ONTARIO PSYCHOLOGICAL CENTRE
For aptitude and executive assessments. Educational and career planning.
97 Eglinton Ave. E., Toronto. HU. 1-6362

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SALES ENGINEER or (TECHNICAL SALESMAN)

28-35 years, experienced in Toronto and Central Ontario Industrial Rubber products including Fire, Industrial and Automotive Hose, Rubber Sheet Packing, Runner Matting, etc. Opportunity with growing Division of substantial Canadian Company.

BOX 657, THE FINANCIAL POST, TORONTO

CONTROLLER

National Organization, established over 60 years, with good growth potential, having its head office in Montreal, Quebec, has an excellent opportunity for Controller. To be responsible for preparation of budgets, controls and financial analyses, reporting directly to Corporate Officers.

Candidates should be able to act on their own initiative, as special studies will form part of the required duties. Preferably, candidates should hold a recognized accounting degree and be familiar with punched card accounting.

Age range for this position: 30-40.

Salary to be based on background and experience, with a minimum of $6,000. per annum.

Replies in writing will be treated in strictest confidence and should include full details regarding personal and business background.

BOX 660, THE FINANCIAL POST, TORONTO

INVENTORY CONTROL PRODUCTION PLANNING

A fascinating and challenging job applying the science of mathematics to the establishment and control of inventories across the country for an industrial manufacturer.

Applicants should be between 25 and 35. Preferably degree in Business Administration, Industrial Engineering or equivalent with emphasis on Mathematics.

One of those rare opportunities of joining a progressive medium size industrial corporation on a senior staff level.

BOX 669, THE FINANCIAL POST, TORONTO

J. K. THOMAS LTD.

METALLURGICAL-CHEMICAL OPERATIONS MANAGER

to $14,000.00

A challenging senior management opportunity is now available with a large secondary manufacturing organization in Ontario. This unique position will require the planning, establishment and administration of a new Metallurgical and Chemical Operations Department. Responsibilities will include the control of metallurgical, chemical and heat-treating operations together with Departmental staff training and co-ordination. Close liaison with other production management will be required to provide specialized advice in these areas. Candidates should possess a broad knowledge of production operations with specific emphasis on the practical contemporary application of metallurgy and chemistry to production processes. A minimum of 10 years applicable experience plus education to degree level (Metallurgy-Chemistry) is required. Age 35 to 45. Refer to FPE 2426.

Mail resumes in confidence. *Fees paid by our employer-clients*

J.K.Thomas LTD.
CONSULTANTS TO MANAGEMENT
industrial psychology ✳ *1251 Yonge St.*
executive placement ✳ *Toronto 7, Ont.*

EXECUTIVE PLACEMENT CENTRE for *Executives at all levels*
Suite 304, 97 Eglinton E.
Toronto 12, HU. 1-4301

DISPLAY ADVERTISING RATES

$11.76 per col. inch per insertion (84 cents per agate line 14 lines constitute one inch) Closing date — Copy must be in Toronto Office by Monday a.m Display advertising in this section payable in advance.

GRADUATE ENGINEER

To supervise quarry and lime plant operations in Manitoba.

The successful candidate will be responsible for operating and modernizing two separate quarrying and production plants and would live on location for two to three years. At that time it is hoped he could then accept wider responsibilities and probably reside in Winnipeg.

Salary commensurate with qualifications, experience and established ability. Employment benefits include pension, insurance and medical.

Please reply by confidential letter stating fully personal experience, academic background and on-the-job experience.

MR. R. J. ORR,
General Manager,
The Winnipeg Supply & Fuel Company Limited,
388 Portage Ave., Winnipeg 1, Manitoba.

EL

Required —

DIRECTOR OF MARKETING

An excellent opportunity to establish and administer a Marketing Program for an old and well-established Canadian Company manufacturing heavy wheel equipment.

Must be experienced, modern sales executive with demonstrated ability on the basis of actual results achieved in a highly competitive field. 35-45 years of age, preferably having a University Degree with emphasis on Marketing. A technical background in the Heavy Construction Equipment or Heavy Truck Field in Canada, would be an asset.

SALARY $8,000-$16,000

Reply in confidence and refer to File No. 419

EXECUTIVE LOCATING COMPANY
MANAGEMENT CONSULTANTS
P.O. Box 152 — Postal Station K — Toronto 12

***MANAGER WANTED*— FOR NEW DISCOUNT RETAIL OPERATION IN HALIFAX AREA**

The man we are looking for is now employed in a similar business—aged under 45 and anxious to improve his earnings. The position will offer substantial salary plus profit sharing plan on a permanent basis. If interested reply in confidence to

BOX 650, THE FINANCIAL POST, TORONTO

EXECUTIVE SALESMAN

Executive Foundation Wear Salesman required for new territory. Excellent opportunity. Applicants should state experience, availability, and remuneration required. All replies treated in strict confidence.

BOX 664, THE FINANCIAL POST, TORONTO

THE UNIVERSITY OF ALBERTA
CALGARY

invites applications for positions in the Department of Political Economy as follows:

(1) An Assistant or Associate Professor of Political Science, rank and salary depending upon experience and qualifications. The applicant will be the first appointee in Political Science at Calgary and he should be prepared not only to instruct in fundamental undergraduate courses, but to develop a program in Political Science for an anticipated rapid expansion of enrollment.

(2) An Assistant or Associate Professor of Economics, rank and salary depending upon experience and qualifications. The applicant will be the second appointee in Economics at Calgary and he should be prepared to instruct in money and banking and in macro-economic theory.

In each case, the beginning salary will be between $8,000 and $11,000. Appointments will be effective September 1, 1961. Applications for the positions above should include a recent photograph or snapshot, a curriculum vitae, transcripts of record from universities where degrees were obtained, and the names of three references, and should reach the undersigned before March 1, 1961.

Prof. E. J. Hanson,
Head,
Department of Political Economy,
University of Alberta,
Edmonton, Alberta, Canada.

Management Consultants & Professional & Executive Placement

T. M. MORAN & ASSOCIATES

EXECUTIVES WANTED

	Income
• **GENERAL MANAGER**—University graduate—Engineering desirable—Age 40 to 45—Proven record of accomplishment Manufacturing, Marketing—Metals products	$30,000
• **PURCHASING AGENT**—University graduate—Engineering desirable—Proven record accomplishment Engineered Product area—Assembly and component steel product experience ...	$15,000-$20,000
• **SECRETARY-TREASURER**—B. Comm. and C.A.—C.P.A.—Knowledge—Treasury—Financial, General, Cost Accounting	$13,500
• **FINANCIAL ANALYST MANAGER**—Bus. Admin. and/or C.A.—Knowledge Financial and Economic Forecasts—Capital Budget development and control	$12,000
• **MANAGER BUDGET AND COST ANALYSIS**—Bus. Admin. and/or C.A.—Knowledge—Operation and Financial budgets—Cost Analysis, Cost Standards—Systems, etc.	$11,000
• **DATA PROCESSING—TAB AND COMPUTER**—Area. University graduates or Accounting degree. 1. Systems Analysts 2. Programmers 3. Systems Procedures, etc. 4. Sales Representatives	Salaries open
• **MANAGEMENT CONSULTANT**—B. Comm.—Bus. Admin. and/or C.A., C.P.A. Knowledge Machine Accounting—Data Processing, Systems, Procedures, etc.	$11,000
• **ACCOUNTING TRAINEES**—B. Comm. and/or C.A., C.P.A. Some Industrial experience in any of these areas. Internal Audit—General Accounting, Cost Accounting—Systems and Procedures to	$7,500
• **SYSTEMS AND PROCEDURES**—C.A., C.P.A.—R.I.A.—Systems and Procedures experience to lead towards Accounting Postings to	$8,500

If interested — Telephone or Write to:

74 PLEASANT BOULEVARD, TORONTO 7, ONT.
WA. 4-9633

MARKET RESEARCH MGR. . . . to $15,000
For international electronic office equipt. company.

FOOD ACC. EXEC. AD. AGENCY **to $14,500**

ASSIST. TO PRES. APPLIANCES **to $20,000**
Prefer consumer hardgoods exp. Location southwest Ont.

ASSIST. TO SLS. MGR. . . . . to $15,000
Appliances — Direct Sales Training & promotional programs.

MGR. FIN. ANALYST METALS **to $12,000**

SALES ENG. AUTO PARTS **. . . . . to $12,000**
Mech. Elect. Degrees preferred. Leads to sales management.

ADMIN. ENG. METALS **. . . . . to $12,000**
Mech. & Elect. Engineering Degrees essential.

SALES TRAINEES . . . . . to $6,000
At least B.A. degree. Electronic Data Processing.

Send detailed typed resume to

CHARLES EXECUTIVES
120 EGLINTON AVE. E., TORONTO 12, HU. 7-1576

MARKET DEVELOPMENT EXECUTIVE
(Printing and Packaging Industry)

Unusually broad operating scope exists for a marketing minded sales executive with knowledge of printing processes. He will be responsible to the General Sales Manager for the analysis and assessment of existing and potential markets for his company's products, and for the development and execution of appropriate marketing plans.

For a man with a successful record in printing or packaging materials sales, and with the ability to apply this experience to opening new markets and to providing planning assistance to the sales staff, this position offers particularly good growth opportunity.

AGE: 28-40 **Salary: $9,000-$11,000**

Applications held in confidence. Time will be saved by giving full personal and experience details, including present salary.

Leetham, Simpson Limited
Management Consultants
EXECUTIVE PLACEMENT DIVISION
2100 Drummond St., Montreal VI 9-6338

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

POSITIONS AVAILABLE

INVESTMENT SALESMAN

As a result of an expansion in operations, one of the leading investment houses in Western Canada has an immediate opening in Vancouver for a man experienced in servicing high-grade investment accounts. This represents an excellent opportunity for a securities salesman with drive and character.

Reply in writing only, including personal resumé.
ALL REPLIES HELD IN STRICTEST CONFIDENCE
MAIL TO
BROWN, MITCHELL & WRIGHT LIMITED
Advertising Agency
735 DAVIE STREET • VANCOUVER 1, B.C.

INVESTMENT MANAGER
(CANADIAN FUNDS)
SUBSTANTIAL SALARY

One of the largest investment management companies has an immediate opening for a Canadian Investment Manager. He must have a full understanding of the Canadian economy, extensive experience in Canadian securities analysis and money market, and a knowledge of European securities.

He will be responsible for preparing recommendations concerning performance objectives, the Fund's Canadian investment program, and the purchase and sale of securities. In fulfilling this responsibility he will draw for staff support on an experienced group of industry specialists and economic consultants.

All responses regarded as highly confidential.
Placement fees paid by our client company.

J. B. Fraser Executive Placement Consultants Ltd.
— Established 1936 —
The Confederation Life Building, 321 Bloor Street East, Toronto

CONTROLLER

Our client, a large and growing company in the retail consumer products field, requires a controller—Ottawa location.

The successful candidate will be a mature individual, over 35 years of age, with extensive retail experience, preferably a chartered accountant. He will have a sound background in finance control as well as accounting, and a good knowledge of taxation. He will be the chief financial officer of the company reporting to the President. This is an excellent growth opportunity for a man with initiative.

Salary range $10,000-$12,000.

Reply in confidence to:

URWICK, CURRIE
LIMITED
MANAGEMENT CONSULTANTS
100 University Avenue, Toronto 1, Ontario

ADMINISTRATIVE ACCOUNTANT

Our client, a well-known and progressive Canadian company, has an opening in Western Ontario for a qualified accountant, aged 35 to 45. This appointment calls for the ability to manage a sizeable accounting staff under the overall direction of the company's Controller. Previous experience in an organization using IBM punched cards would be an advantage.

The starting salary is in the range $7,500 to $8,500 depending upon qualifications.

Applications will be treated in the strictest confidence and will not be passed to our client without the candidates' prior permission.

All replies will be acknowledged and should be sent, quoting reference 504 to—

RIDDELL, STEAD, GRAHAM & HUTCHISON

462 St. John St., Montreal 1, P.Q. or 66 King St. West, Toronto 1, Ont.

ELECTRICAL ENGINEER
required for
PUBLIC UTILITIES COMMISSION
PORT ARTHUR, ONT.
(Population 42,000)

Professional Engineer (Electrical) to work with Assistant Manager and Manager on construction, operation and maintenance of four Utilities, namely Light & Power, Telephone, Transit and Waterworks.

Permanent position — adequate Pension, Insurance and other fringe benefits — 50% Blue Cross and P.S.I. paid by employer.

Salary progression in keeping with experience.
Apply in writing, giving full particulars to

F. O. ROBINSON,
Personnel Officer,
Public Utilities Commission,
Public Utilities Building,
Port Arthur, Ontario.

DIRECTOR
CANADIAN TAX FOUNDATION

Applications are invited for the senior position in this nationally known tax research organization. Responsibilities include planning of research activities, direction of staff, contact with governments, organization of conferences, and speaking and writing on tax matters. Salary, $15,000-$20,000; contributory pension plan; moving expenses will be paid. Applicant should state educational qualifications and experience.

Address applications to: **Chairman, Canadian Tax Foundation, 154 University Avenue, Toronto 1.**

RS RÉSUMÉ SERVICE CO.
Your job application will be more effective with our professionally prepared résumé. Write for details or inquire at Rm. 304, 97 Eglinton Ave. East, Toronto. HU. 1-6362.

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SENIOR SALES EXECUTIVE
(Starting Salary $17,000 - $20,000)

A large Canadian company, operating nationally with a diversified range of products in the building materials field, seeks an executive to direct the sales and merchandising function. In addition to everyday administrative duties, the man selected will present the sales viewpoint as a member of senior management.

The man must have sales administrative experience and ability, and a thorough knowledge of the building materials field generally. It is unlikely that men now earning less than $15,000 per year would have the necessary experience.

Salary will be commensurate with the capacity and experience of the individual, but it is expected that the starting salary will be in the range specified above. In addition to salary there is a bonus and liberal pension plan, and the usual fringe benefits.

All applications are requested in writing and will be held in strict confidence.

Please reply to:

STEVENSON & KELLOGG, LTD.,
150 Eglinton Avenue East, Toronto, Ont.
Member Association of Consulting Management Engineers, Inc.

PRINTING SALES REPRESENTATIVE

A Western Ontario Printing and Lithographing Firm requires a representative in the Toronto area. Experience in the graphic arts is necessary since the majority of sales will be colour promotional and advertising material to commercial and industrial accounts.
When replying state full particulars as to age experience and present salary range.

BOX 653, THE FINANCIAL POST, TORONTO

SECRETARY-TREASURER

Our client, engaged in the distribution and sale of business machines, systems and supplies across Canada from headquarters in Montreal, is seeking to engage a competent executive to take charge of all its administrative, accounting and financial affairs.

Candidates should be Chartered Accountants or University Commerce graduates with subsequent industrial or commercial experience, and in the age group 30-45 years.

Salary offered: $8,000 to $10,000 per annum. This company has a pension plan and other benefits.

Replies will be treated in confidence and should be made in writing to:

PEAT, MARWICK, MITCHELL & CO.
Chartered Accountants
901 Victoria Square, Montreal, P.Q. 80 Richmond Street West, Toronto, Ontario

MANAGEMENT CONSULTING OPPORTUNITIES FOR CHARTERED ACCOUNTANTS

One of Canada's major management consulting groups, we require able young Chartered Accountants to train as management consultants in assisting clients in areas of accounting methods, systems and procedures and management reporting and controls.

We are looking for ambitious men, age 28 to 35, who seek an avenue for rapid personal and professional development. In addition to professional qualifications some industrial experience is essential. Other important selection criteria include: personality, ability to express oneself well and personal accomplishment. Applicants must be willing to accept travel.

Salaries will be related to experience and offer excellent opportunities. Location: either Toronto or Montreal.

Applications will be treated in confidence.

BOX 652
THE FINANCIAL POST, TORONTO

ASSISTANT TRAFFIC MANAGER

With thorough knowledge of international and domestic rail truck and water, rates and operations, required by large pulp and paper manufacturer with head office in Montreal. Age preferably 30 to 35.

Inquiries will be held in confidence and should be addressed to

BOX 638, THE FINANCAL POST, TORONTO

THE UNIVERSITY OF ALBERTA
EDMONTON

invites applications for positions in the Department of Political Economy as follows:

(1) An Assistant or Associate or Full Professor of Economics at a salary up to $12,000, rank and salary depending upon experience and qualifications. The applicant should be a specialist in Mathematical Economics and Econometrics.

(2) An Assistant Professor of Economics at a salary up to $8,000, depending upon experience and qualifications. The applicant should be a specialist in Labor Economics and related areas.

(3) An Assistant Professor of Political Science at a salary up to $7,500, depending upon experience and qualifications. The applicant should be a specialist in Political Theory.

Appointments will be effective September 1, 1961. Applications for the above positions should include a recent photograph or snapshot, a curriculum vitae, transcripts of record from universities where degrees were obtained, and the names of three references, and should reach the undersigned before March 1, 1961.

Prof. E. J. Hanson,
Head,
Department of Political Economy,
University of Alberta,
Edmonton, Alberta, Canada.

PLASTICS CHEMIST

Should be experienced in development and production control applications of plastisol. University graduate preferred. Excellent opportunity for advancement. Apply to:

PERSONNEL MANAGER,
BATA SHOE COMPANY OF CANADA LIMITED
BATAWA, ONTARIO • EX. 8-6111

A WELL-KNOWN CANADIAN COMPANY REQUIRES AN
INDUSTRIAL ENGINEER

to assume the supervision of all of its methods and timestudy operations. Besides being capable of leading Methods and Timestudy Groups the applicant will be fully familiar with the establishment of Incentive Systems, have an understanding of Standard Costs and be bilingual. Earnings commensurate with experience. Send resume to —

BOX 598, THE FINANCIAL POST, TORONTO

ARE YOU THE MISSING MAN FOR THIS TEAM?
MANUFACTURING MANAGER
METAL STAMPINGS

We could call this position V.P. of manufacturing, but we are not looking for a title seeker! We want an all round man who not only is an administrator and can organize for action, but we prefer also that he has actual shop experience, "know how" about presses, dies, engineering and people.
Such a man added to our present staff can fill the gap in an aggressive well conceived, well equipped small multi-plant operation, doing a substantial volume of business and immediate prospects for expansion.
For a man not afraid of work and seeking to become a part of top management, we offer an excellent opportunity.
If you are the rounded man who can run a small organization, reply in confidence, with complete background and earnings.

BOX 645, THE FINANCIAL POST, TORONTO.

SENIOR DESIGNER

Excellent opportunity for a qualified man with good design knowledge of hydraulic systems and automation. This is a permanent position which offers top employee benefits, company housing and community services. Salary $7,800. Apply to:

PERSONNEL MANAGER
ENGINEERING DIVISION
BATA SHOE COMPANY OF CANADA LIMITED
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A 3,800-mi. car rally from Montreal to Vancouver is being organized by the British Columbia International Trade Fair. It will be sponsored by **Shell Oil Co. of Canada.** Drivers will leave Montreal April 30 and finish at Exhibition Park in Vancouver May 6. The trade fair is scheduled for May 3-13.

ANNOUNCEMENT

CANADA PERMANENT APPOINTMENT

GEORGE S. HAWKINS

Charles F. Mackenzie, General Manager of Canada Permanent Mortgage Corporation, and W. Leo Knowlton, Q.C., General Manager of The Canada Permanent Trust Company announce the appointment of George S. Hawkins as Manager of the Halifax Branch of both Companies.

Mr. Hawkins, formerly Assistant Manager at Halifax, is a graduate of Dalhousie University and a member of the Bar of Nova Scotia.

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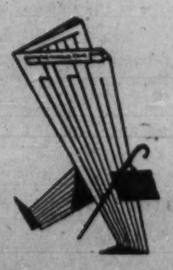

THE **FINANCIAL TIMES**

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Our Firms Hit Harder by Tax

By NEVILLE NANKIVELL

Canadian firms with subsidiaries in the U. S. are hit harder by the recent increases in withholding taxes (**FP**, Dec. 24) than U. S. firms operating here.

The U. S. has announced a reciprocal tax increase to 15% from 5% on dividends paid to Canadian parent companies. The increase was an automatic result of abrogation of the Canada - U. S. tax treaty.

Canadian parent firm has no way, at present, of offsetting this 10% increase.

Dividends received from a Canadian-controlled U. S. subsidiary are non-taxable here (as long as at least 25% of capital stock is owned), but U. S. corporate tax is higher than in Canada and tax costs of doing business in the U. S. will now be higher still.

A Canadian company whose U. S. subsidiary earns $200,000 before taxes will be out of pocket more than $10,000 through the increased withholding tax. Effective rate of tax on these profits will now be boosted by slightly more than 5% to about 57%.

A U. S. company with a subsidiary here earning the same amount may pay about $7,600 more. Effective tax rate will increase by about 4% to slightly more than 53%. Its extra tax, though, may be less under some circumstances.

Effects of the increase on the Canadian parent and its U. S. counterpart are shown in accompanying tables.

The effective rate of tax on profits below $200,000 becomes lower as 30% rate on the first $25,000 is reached. At this level of earnings, the increase in effective rate will be about 7%.

As earnings increase, the rate increase will be smaller, but, of course, the actual initial rate will be higher.

Some samples:

Profit $	New Effective Tax Rate %	Old Effective Tax Rate %	Increase %
50,000	49.85	43.95	5.9
500,000	58.30	53.40	4.9
2,000,000	58.96	54.13	4.8

Going the other way, the increase in Canadian withholding taxes will also leave U. S. parent firms out of pocket, but less so than their Canadian counterparts because of lower corporate taxes in Canada and through offsetting some withholding tax with foreign tax credits.

These credits reduce tax on foreign income by the amount of foreign tax that would be paid on it. **The credits are limited, however. The taxpayer pays the higher tax of the two countries.**

Simplified, this means that on dividend income of $100,000 from a foreign subsidiary, the U. S. parent firm owes its government corporate taxes of $52,000 (at flat 52% rate).

If tax rate of the foreign government is 40%, the firm gets a credit of $40,000 against the amount owing to its own government, and ends up paying U. S. taxes of $12,000 — still $52,000 altogether.

If the foreign government tax rate is 60%, then a full credit of $52,000 would be allowed — but no more — wiping out the tax owing to the U. S. The U. S. tax on foreign income is paid only if the foreign rate is less than the U. S. domestic rate.

A U. S. firm with a Canadian subsidiary earning $200,000 would have available about $110,000 for dividends after paying Canadian corporate tax (now reduced slightly).

It would owe the U. S. taxes of about $57,000 if it paid the whole $110,000 in dividends, and would get a credit equal to the amount that would be payable on the $110,000 at the Canadian tax rate. An additional credit against withholding taxes would be allowed up to the limit of U. S. income taxes owing.

Because Canadian taxes are lower than in the U. S., some of the withholding tax would be sopped up. At a 5% rate, with earnings of $200,000, the total amount of withholding tax would be taken up in the credit, but at the new 15%, slightly more than half will still be left.

The increase in effective tax rate will be slightly higher at a lower bracket of profits and slightly less at a higher level.

But the U. S. parent has other means at its disposal to chop away at the extra tax burden.

Under 1960 legislation, U. S. firms can total taxes paid by their foreign subsidiaries and work out their tax credit against total U. S. taxes on this base.

This means that firms with subsidiaries in low-taxing areas won't be hit as hard as those that only have subsidiaries in Canada or other high-taxing countries.

Over-all average of foreign taxes for these firms will be increased by the Canadian tax boost, but if this average is not higher than the U. S. rate, the total tax position of the U. S. parent may be unchanged.

And for some firms, the slight decrease in Canadian corporate tax may help wipe out any increase in the withholding tax.

U. S. firms will not be able to avoid the 15% withholding tax by changing to branch operations in Canada because the budget resolutions impose a special 15% tax on profits taken from Canadian branches by foreign parents. The incentive now is to convert branches into subsidiaries.

The position of Canadian companies with branches in other countries will depend on whether or not these countries also impose a corresponding 15% special tax on profits being taken out.

At present, profits taken from a foreign branch are included in taxable income, but Canada allows a foreign tax credit against the taxes owing.

The budget resolutions on withholding tax have another complication. Imposition of a uniform 15% withholding tax on dividends paid to non-residents will be stymied in respect to six European countries until existing tax conventions are renegotiated, Canadian Tax Foundation officials say.

A dividend tax of less than 15% is provided for specifically in tax conventions with these countries.

Canada has tax conventions with six other countries, which had been getting a reduced rate of 5%, but the new 15% rate became effective without renegotiation.

New rates must be renegotiated with:

Country	Present Rate
U. K.	nil
Netherlands	2½ %
Sweden	5%
Ireland	5%
Denmark	5%
Finland	5%
Norway*	5%
Belgium*	5%

*Not yet in force.

New 15% already applies to these tax convention countries (as well as to all countries with which no tax conventions have been arranged):

U. S.
West Germany
France
South Africa
Australia
New Zealand

Treaties with Norway and Belgium will be effective when the Canadian parliament gives final approval to Norway's convention and the Belgian parliament takes similar action with Canada.

When Canada approved the Belgian agreement in 1958 it also approved a similar treaty for the Belgian Congo. This was never ratified by Belgium.

It's possible that Canada will some day deal with the now-independent Congo.

The 15% rate was immediately effective for some tax convention countries because the treaties didn't modify the Income Tax Act, which allowed a reduced 5% rate on dividends paid by a wholly-owned subsidiary to its non-resident parent. They merely provided for double taxation relief within the tax laws of the contracting countries.

The agreement with Germany states that its provisions aren't to restrict tax law changes. (In **FP**, Dec. 24, it was stated incorrectly that the change to 15% would have to be negotiated with Germany, and that the present tax was 2½% instead of 5%.)

The U. S. treaty specifically referred to the 5% rate when extending it to firms owning at least 51% — not all — of the subsidiary's voting shares, but provided for cancellation of this privilege without termination of the rest of the treaty.

Canada could terminate its conventions with European countries needing renegotiation if conference table talks bogged down. Canada could give notice of termination on or before June 30, and the agreement would cease at the end of 1961.

The U. K. agreement extends its dividend tax exemption to several colonies. Treaties with Sweden, Ireland and Denmark extend the 5% reduction to subsidiaries where at least 50% of voting stock is held abroad.

The ownership requirement for Belgium, Norway and Finland is "more than 50%." The 2½% rate for The Netherlands is for wholly-owned subsidiaries.

How Taxes Work

Effect of Withholding Tax Increases on Canadian-Controlled Subsidiary in the U. S.

	1961	1960
Profit before taxes	$200,000	$200,000
*U. S. corporate tax	98,500	98,500
Dividends paid to Canadian parent	101,500	101,500
U. S. withholding tax	15,225	5,075
Income rec'd by Cdn. parent (non-taxable)	$86,275	$96,275
Effective tax rate on $200,000 profits	56.85%	51.78%

*At 30% on first $25,000, 52% on excess (higher in some states).

... And on U. S.-Controlled Subsidiary in Canada

	1961	1960
Profit before taxes	$200,000	$200,000
Canadian corp. tax	*89,850	†92,750
Dividends paid to U. S. parent	110,150	107,250
Canadian withholding tax	16,522	5,362
Income rec'd by U. S. parent	93,628	101,888
‡U. S. tax owing (on gross divds.)	57,278	55,770
U. S. foreign tax credit:		
against Cdn. corp. tax	49,485	49,737
against Cdn. withholding tax	7,793	5,362
Taxes owing to U. S. after credit deducted	nil	671
Balance rec'd by U. S. parent	93,628	101,217
Effective tax rate on $200,000 profits	53.18%	49.3%

*At new rate of 21% on first $35,000, 50% on excess (higher in Ont., Que.).

†At old rate of 21% on first $25,000, 50% on excess.

‡At flat 52% rate.

ANNOUNCEMENT

Three new Royal Bank Directors elected

HON. P. H. BOUFFARD, Q.C. W. O. TWAITS C. N. WOODWARD

The Royal Bank of Canada has announced the election to the Board of Directors of Senator the Hon. Paul H. Bouffard, LL.D., Q.C. of Quebec City, W. O. Twaits of Toronto and C. N. Woodward of Vancouver. Senator Bouffard is senior partner of the legal firm of Bouffard, Turgeon, La Rochelle, Amyot, Bienvenue, Choquette & Lesage and a director of a number of prominent corporations. Mr. Twaits is President of Imperial Oil Limited. Mr. Woodward is President of Woodward Stores Limited.

Jamaica Utility Net Down 2.5%

MONTREAL (Staff) — Net income of **Jamaica Public Service Co.** dropped 2.5% in Nov./60 to £42,577 (£43,655 Nov./59).

Operating revenues were £182,863 (£187,939) and total operating deductions £133,774 (£132,691).

For 12 months to Nov. 30, net income rose 3.1% to £546,611 (£530,096). Earnings amounted to $3.04 on 445,500 shares of parent **Jamaica Public Service Ltd.** ($3.26 on 405,000 shares a year earlier).

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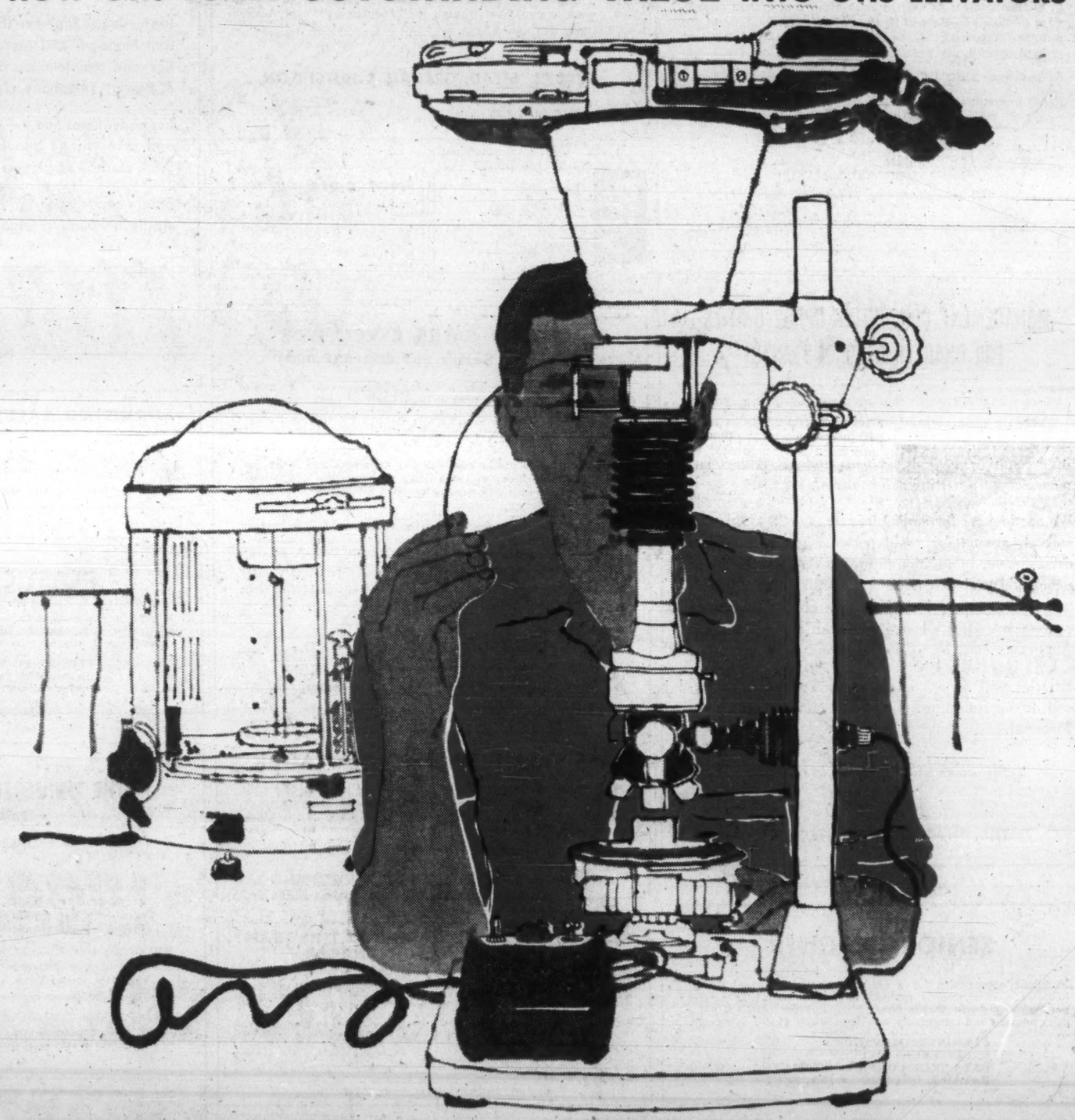

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E. B. GERRY,
Vice-President & Secretary

W. J. MacNeill,
Chief Agent in Canada,
Toronto, Ontario.

ANNOUNCEMENT

TAYLOR INSTRUMENT COMPANIES OF CANADA LTD.

E. JACK SHEARE

The board of directors of the Taylor Instrument Companies of Canada Ltd. recently elected E. Jack Sheare as President of the Canadian Company.

A graduate of University of Toronto in Mechanical Engineering, Mr. Sheare joined Taylor in 1933. He has held key positions in production and engineering, and later held top management posts as Sales Manager and Managing Director.

His election as President places full operating responsibilities in Canadian hands and further strengthens Taylor's long established policy of superior customer service.

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ANNOUNCEMENT

CAMROSE TUBES LIMITED

J. W. McREYNOLDS, P.Eng.

J. W. McReynolds, P.Eng., has been appointed Resident Vice-President of Camrose Tubes Limited, Camrose, Alberta, according to an announcement by C. F. Anderson, President.

Mr. McReynolds will also be Western Sales Manager for Welland Tubes Limited.

Both Companies specialize in the manufacture of large diameter Steel Pipe for the transmission of gas, oil and water. Sales Offices of both Companies are located at 212 - 7th Avenue S.W., Calgary, Alberta.

Canada May Quit In Tariff Talks With 'The Six'

By LESLIE WILSON

OTTAWA (Staff) — The Canadian government is seriously worried about the progress of the Geneva talks under the General Agreement on Tariffs and Trade.

The talks began in September. From the Canadian viewpoint, progress so far in getting concessions from the European Common Market countries has been almost nil.

The stalemate is so serious that officials here are considering withdrawing from the next phase of the conference — the tariff-reducing sessions — so far as the ECM is concerned.

Here's what happened:

The conference was to have consisted of two phases with this timetable.

• The September - to - Christmas talks were to have fitted the so-called common external tariff of the ECM into the tariff structure of GATT.

Italian and French tariffs are generally high: Benelux and German rates low. As the Six moved toward a common tariff, duties levied by the first two countries would be lowered; those by the last four raised.

GATT countries, including Canada, gave Germany, Belgium, Netherlands and Luxembourg, tariff concessions in exchange for hundreds of low duties. These are now to be swept away in return for hypothetical advantages in France and Italy.

The first phase has failed to reach is objective.

Officially, these talks are to be concluded by the end of January, but there is considerable doubt in Ottawa that they will. They may run through February, well into March.

Many GATT countries, including Canada, are dissatisfied with the compensations offered by the ECM countries in exchange for withdrawal of low GATT rates in Germany and Benelux.

We are more dissatisfied than most countries. Some 75% of our trade with the ECM ($316 million last year) is with the low-duty countries.

• The second phase of the conference, to have lasted from January to perhaps April, was to have dealt with tariff reductions.

Having agreed on a mutually acceptable ECM common tariff, GATT countries were to have discussed reductions in their own rates in exchange for reductions in the ECM tariff.

The ECM countries have said that they'll offer a blanket 20% reduction of their common tariff — the one agreed on in the first phase, assuming that it is agreed on — for negotiation when the second phase gets under way.

This is the part of the conference — it is now expected to last through the summer — from which Canada may withdraw so far as the ECM is concerned, unless phase one takes a sudden turn for the better.

Even if our negotiations with the ECM end in a blowup, we could still carry on tariff-reducing talks with the U. S. and other countries.

Here are two examples of our difficulties:

▸ The common external tariff on any item is supposed to be the arithmetic average of the rates in force in the Six countries in 1958.

Exceptions are items on "List G" of the Rome Treaty, which established the ECM. These are supposed to be reached by negotiation within the Six.

List G includes aluminum, vegetable oils, frozen salmon, lead and zinc, all of interest to Canada.

The ECM countries have only now agreed on what the rates on List G items will be. Most of these rates are unacceptable to Canada, and no substantial negotiations on them have yet taken place.

We don't even know whether the 20% reduction — to be discussed in phase two of the conference — will apply to List G items.

▸ The ECM proposes "variable import levies" on a wide range of farm imports.

These are special taxes which would bring the prices of Canadian farm exports to the ECM up to the support prices maintained within the community.

Some $125 million of our exports to the Six last year consisted of farm products and most of these would be hit.

So far, the compensations offered by the Six in exchange for imposing the new import taxes aren't acceptable to Canada.

The U. S., Australia and New Zealand, are arguing about them too.

Of all GATT countries, Canada is in one of the poorest positions to impose its wishes on the ECM because:

• Canada has a market of 17 million people against 175 million for the Six (FP, Dec. 10). Our threats of tariff retaliation don't impress the ECM.

• The ECM offer to cut the common tariff by 20% in phase two of the talks is attractive to industrial countries, not to us.

Some 80% of our exports to the Six consist of 20 items, including wheat and other grains, oilseeds, aluminum and other metals, wood pulp and some chemicals.

Suppose import barriers on these 20 items are raised substantially as a result of phase one of the conference.

Suppose further, that these high rates are cut 20% as a result of phase two.

We'd be far worse off than we were when the conference began.

But industrialized countries such as the U. S. and the U. K., would be better off. Twenty per cent cuts over a wide range of industrial imports would more than compensate for boosts in rates on a few raw materials items.

This is why countries which carry real weight at the conference are not likely to walk out on the Six.

Meanwhile, with the talks proceeding, the Six went ahead Jan. 1 with their plans for forming a customs union.

They reduced duties among themselves by 30% on manufactured goods. If they maintain their present tempo in leveling tariffs among themselves, they'll achieve their common market by Jan. 1/66.

Consol. Paper Profit Up 22%

MONTREAL (Staff) — **Consolidated Paper Corp.'s** unaudited 1960 net profit increased 22% to $15,970,198 ($13,086,774 in 1959), equal to $2.70 ($2.55) per share.

Indicated fourth - quarter profit was $4,400,085 ($3,703,497) equal to 74c (72c) per share on sales of $31,811,919 ($27,632,984).

Loss on exchange in the final quarter was reduced to $313,770 ($1,088,141).

Here are 12 month's details, subject to year-end adjustment:

12 months:	1960 $	1959 $
Sales	119,516,011	100,082,282
Earnings	38,611,550	33,436,232
Less: Exch. loss	2,091,602	3,026,336
Deprec., depl.	5,092,173	4,067,922
Inc. tax	15,457,577	13,275,000
Net profit	15,970,198	13,086,774
Shares o/s (no.)	5,917,783	5,132,762

ANNOUNCEMENT

FRANK H. SOBEY — WILLIAM M. SOBEY — LESLIE SHARP — DAVID F. SOBEY

Mr. Harry Miller, Secretary-Treasurer of Sobeys Stores Limited, announces that the following appointments have been made by the Directors of the Company. These appointments are to become effective January 1st, 1961. Frank H. Sobey, Chairman of the Board; William M. Sobey, President; Leslie Sharp, Vice-President and General Manager; David F. Sobey, Vice-President—Merchandising.

Probe May Bring Change In Quebec Insurance Laws

MONTREAL (Staff) — A revision of the Quebec Insurance Act may be sought in the wake of disclosures that some small provincially incorporated insurers are in financial hot water.

Insurance industry circles say more stringent capital, reserves and deposit requirements may be needed, as well as a shake-up of existing reporting and inspection procedures.

In recent months, two Montreal-based companies — **Zenith General Insurance Co.** and the **Taxi Owners Reciprocal Insurance Association** — have gone into liquidation.

In addition, two other small firms were recently rescued from the brink of serious financial difficulties through a change in ownership and infusion of new capital.

Investigators from the office of Quebec Superintendent of Insurance are carefully examining the financial position of the approximately 275 insurance firms licensed to do business in the province.

Insurance industry circles believe that some other small provincially incorporated insurers are the main objects of the check.

However, older, well established provincial insurers, plus provincially chartered firms that have elected to register with Ottawa and federally registered companies, are believed to be unaffected.

Taxi Owners Reciprocal, a small firm, was established by a group of Montreal cab owners to write low-cost insurance on their vehicles.

Zenith believed to have started as a U-drive owners mutual, subsequently branched out into the general insurance field. It is rated as a small to medium-sized firm. Net premiums written in 1958 totaled $917,000.

'Electronic Highways' for Rent Is New Phone Company Plan

MONTREAL (Staff) — **Bell,** and other Canadian telephone companies, are considering introduction of a new type of optional "bulk" communications service here.

Called Telpak, it would provide wide frequency communication bands to big volume government, business and industrial users on a rental basis for point-to-point, high speed data and facsimile transmission as well as voice communications.

In the U. S. last week, **American Telephone & Telegraph Co.** filed with Federal Communications Commission for permission to establish a Telpak service there.

AT & T describes the new service as creation of "Broad electronic highways" over which virtually all types of communications can be transmitted.

The service, it says, is tailored to meet the needs of government and industrial users who require a large volume of point-to-point communications.

AT & T is planning to offer four channel widths ranging from the equivalent of 12 voice-grade circuits to 240 voice-grade circuits.

A voice-grade circuit is the band width required to carry one telephone conversation.

In Canada, three channel widths — 12, 24 and 60 voice circuits — are under consideration.

In the U. S., AT & T proposes to compute Telpak rates from two basic charges.

Involved is a monthly charge per airline mile of transmission path plus different monthly rates for terminal connections at either end of the line depending on the amount and nature of electronic "hardware" involved.

Proposed charge for a 12-voice circuit band is $15 per month per mile. A 240-circuit band would cost $45 on the same basis.

In Canada there is no indication yet of likely Telpak rates.

A Telpak band, it is believed, would enable the user to juggle circuit capacity to meet his own particular and perhaps frequently changing requirements.

Band width required to transmit one TV video signal, for example, can alternatively be used to handle a dozen or so telephone calls simultaneously.

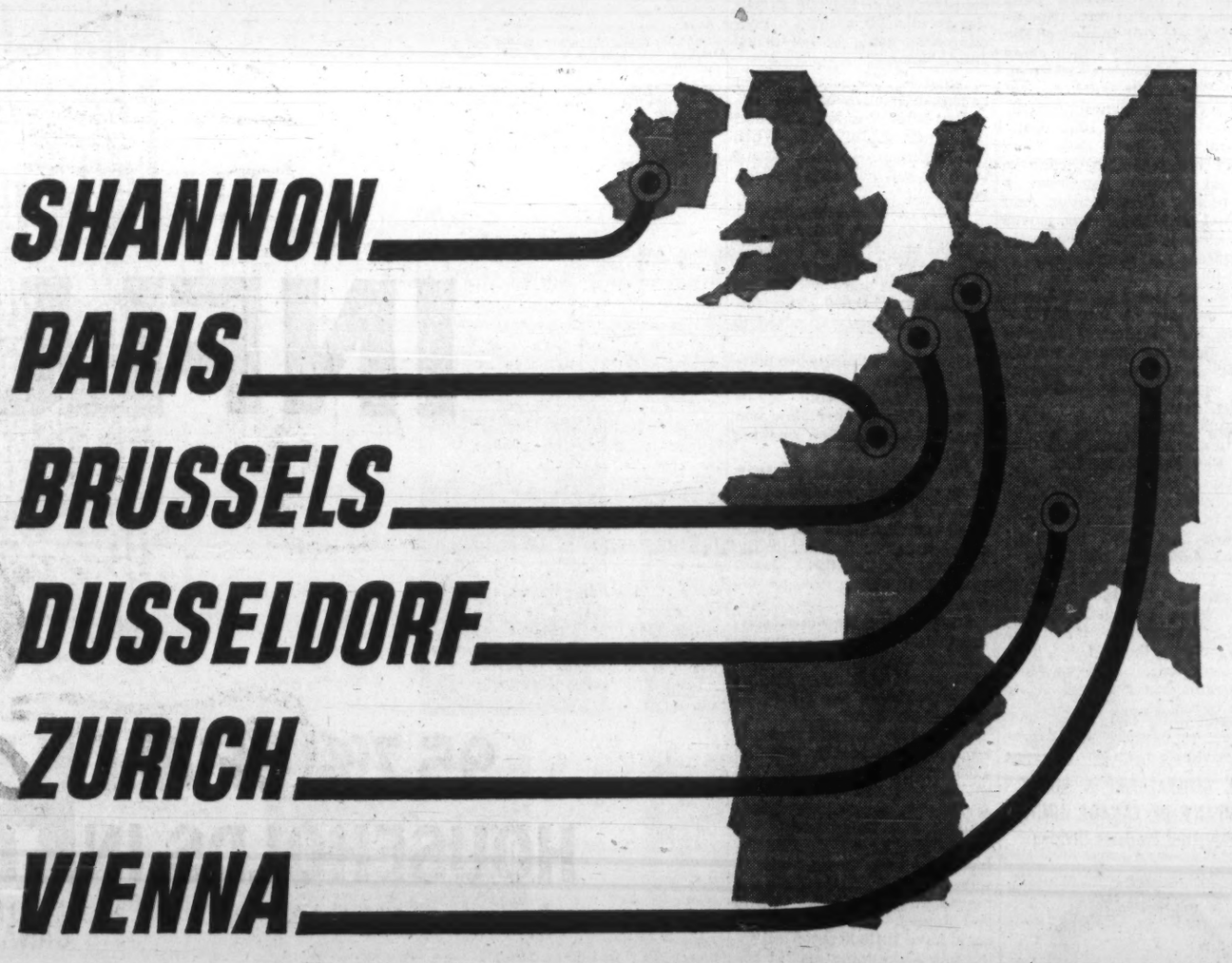
One telephone circuit, equally, can carry 18 or more teletype transmission at the same time.

In recent years, rapid development of remote control and remote monitoring of industrial operations and growth of computer technology has spurred demand for wide band communications facilities.

KVP OUTPUT DOWN

KVP Co., Espanola, Ont., produced 119,705 tons of pulp in year to Sept. 30/60 (122,318 tons year before) and 32,179 tons of paper (33,361 tons). Most of the pulp was exported to parent **KVP Sutherland Paper Co.,** Kalamazoo, Mich. New paper machine at Espanola with annual capacity of 15,000 tons of bleached kraft specialty papers is undergoing trial runs. Canadian assets of KVP Sutherland (KVP Co. and **Appleford Paper Products,** Hamilton) totaled $17.7 million at year-end.

NEW TCA DC-8 JET FLIGHTS TO EUROPE



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If you prefer, TCA/BOAC Joint Services from Toronto offer you low-cost propeller service plus the widest selection of jet flights to Britain. Naturally, when you can go to Europe from there. It all depends on which suits you best: the TCA services are there for you to choose from! Ask your Travel Agent or phone TCA!

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PARÉ

"Our target was 10% of the Canadian cigarette market within 10 years. That is still our aim," says Canadian Tabacofina's Paul Paré.

Battle for Smokers To Be Hotter in '61

Cigarette smokers puffed less in 1960, though population increase pushed total consumption slightly up.

Higher taxes cut into sales. The trend to filter-tips had the industry guessing.

A powerful invader — Philip Morris — enters Canada in 1961. There'll be a battle of the giants. Smaller firms, like Canadian Tabacofina, are nervously aware that they won't escape the fray.

By CLIVE BAXTER

MONTREAL (Staff) — Canadian smokers disappointed the cigarette industry in 1960.

Most experts predicted a 5% increase in consumption. It now looks more like 1%.

Actually even 1% is a lot of cigarettes, about 325 million. But the industry had been hoping for 1,700 million.

Nobody is quite sure what went wrong. Certainly the tightening of economic belts played a part. But most important was the full impact of the 1959 tax increase which came too late to have much effect on that year's totals.

Per capita consumption was 2,000 cigarettes in 1959, dropped to 1,900 during 1960.

Net result of this decline in market growth has been a sharpening of competition. And when **Philip Morris Inc.** moves into Canada in 1961 the battle promises to get even hotter (**FP**, July 9).

For the giants of the Canadian industry — **Imperial Tobacco** and **Macdonald Tobacco** —it promises some worries. However, they wear the protective armor of long established brand loyalties.

Much tougher will be the position of **Rothmans-Rock City** and **Canadian Tabacofina.**

The Rothmans-Rock City combination claims to have 20% of the Canadian market. (Competitors say R-RC has 16%-18%.) Tabacofina claims 4%.

Because an estimated 12% of the market belonged to Rock City when Rothmans took it over, Tabacofina's 4% ranks well within the 4%-8% that hard-driving, free-spending Rothmans has grabbed for its own brands.

How will Tabacofina, as the baby of the industry, stand up to the pressure?

Trials and tribulations are nothing new for the small (270 employees) Belgium - owned Montreal firm. The unexpected has been happening with regularity since it set up shop (**FP**, March 9, 1957).

"When we started, our target was 10% of the Canadian cigarette market within 10 years," Paul Paré, Canadian Tabacofina's general manager and executive vice-president, told **FP**. "That is still our aim."

Paré claims that with 4% of the market he is on schedule. But he admits things haven't quite worked out as planned.

The initial blow was the almost simultaneous entry on the Canadian scene of Rothmans.

"Rothmans hit like a bomb. Their advertising and promotion was fantastic," says Paré. "We think they must have spent about $10 million on their initial sales effort."

Cigarette men admit the initial impact of Rothmans shook everyone. "Something very close to terror gripped the rest of the industry," one cigarette executive recalls. "It seemed everything was going to be turned upside down."

Canadian Tabacofina was set to launch its two brands, Belvedere filter tips and Carousel plain ends, in July 1957. When the Rothmans cyclone struck the company held back almost a year.

In May, 1958, it began its sales drive in Quebec, swinging into Ontario at the end of the year. The 1958 advertising budget was a modest one (by cigarette standards) $500,000. The following year this was raised to $800,000.

Paré reports the Quebec market responded favorably, Ontario was not as good.

Meanwhile another blow was shaping up—Canadian smoking trends.

"When we started in 1957, filters made up only 30% of the Canadian market," says Paré. "And Imperial's Matinée virtually dominated it. But in the following months there was a pronounced swing toward filters."

Studying the market closely, Tabacofina came to the uncomfortable conclusion that plain ends were entering a decline from which they would probably never recover.

And, while they still accounted for almost exactly half the 1960 consumption, they are smoked by "hardened, older smokers" who are almost fanatically loyal to their brands.

Paré and his staff decided the trend was going to substantially reduce sales of Players (still the biggest single Canadian seller) and Export. Thus a newcomer could have little hope of breaking into a declining market for plain ends.

So it was decided, reluctantly, to drop the Carousel brand. The move cost the company $500,000 in equipment and wasted advertising effort. The cigarette finally disappeared 18 months ago.

Now 96% of the company's production is concentrated on Belvedere filters—the remainder is made up of a few "economy brands" for direct sale to chain stores.

The 1960 advertising budget amounted to $1.2 million and 1961 should see a slight increase. With only one brand to sell, Paré reports Tabacofina is beginning to have a substantial impact.

Sales are perking up in Toronto—"at last".

Tabacofina has been concentrating on building an image for Belvedere as the sort of cigarette young, active people like to smoke.

Sales have mounted steadily: 200 million in 1958, 700 million in 1959, 1,350 million in 1960.

While Paré claims 4% of the total market, he says this is 8% of the filter sales. And filters, he adds, seem on for a steady increase at the expense of plain ends. This he considers encouraging.

There are still plenty of potential headaches. Canadian Tabacofina isn't altogether happy about having all its eggs in one basket. New brands will have to be introduced soon.

The Canadian market has been notoriously unkind to cigarette pioneers.

Menthols have not received the support here they got in the U. S. In Canada they account for perhaps 3% to 4% of the market, while in the U. S. they have carved themselves a cool 12%.

Some 30 new brands have hit the Canadian market in the last three years, says Paré, and only two or three have really won acceptance.

"Of course it is common in the trade to introduce new brands if you are a leader," Paré comments. "You always hope they'll catch on, but if they don't they serve to confuse the issue sufficiently to drive the smoker back to his old established brand."

What Philip Morris decides to do will be closely watched by the whole industry. The sort of brands it decides to put on the market—and their success—will influence others in their choice.

Paré is optimistic that 1961 Canadian cigarette consumption will return to its previous rate of growth.

The final 1960 figure should be about 34,000 million. It is Paré's bet that 1961 will show sales of about 35,700 million. If he is right competition should remain strong, but might become slightly less frenzied than at present.

Canadian Tabacofina plans to invite Canadian participation "when things look right for it.

"It has always been our intention, but conditions aren't good right now. We must wait until the money market is in a better mood," Paré said.

"As things stand now we are making a profit and have no pressing need for additional money. But our Belgian owners are quite aware of the feeling in Canada about foreign ownership, and of course a few thousand Canadian shareholders would make valuable salesmen."

In the meantime the company is concentrating on supplying that vital 10% of the butts in Canada's ashtrays. The battle is a tough one.

OIL MOVEMENT

Trans Mountain Oil Pipe Line Co. reports total deliveries of crude oil for Dec./60 averaged 95,708 b/d. Average deliveries for all 1960 were 113,143 b/d (98,239 b/d, /59). Scheduled deliveries for Jan./61 are expected to average 128,000 b/d.

ANNOUNCEMENT

THE GENERAL TIRE & RUBBER COMPANY OF CANADA LIMITED
Industrial Products Division

G. S. POVER

A. Carse, General Manager of the General Tire & Rubber Company of Canada Limited, Industrial Products Division, announces the appointment of Gordon S. Pover as Controller of the Industrial Products Division, Welland, Ontario.

Mr. Pover, a graduate of Queen's University, is a Chartered Accountant and a member of the Institute of Internal Auditors. He has over fifteen years' experience as a public and corporation accountant and comes to the General Tire from the Abitibi Power & Paper Co. Ltd., Toronto.

Mr. Pover is married and has two children and will make his home in Welland.

Lymans Switches Parent Firms

MONTREAL (Staff)—**International Bronze Powders** has transferred ownership in **Lymans Ltd.** to wholly owned subsidiary **Ingram & Bell Ltd.**, in order to "simplify corporate structure".

Lymans, in the pharmaceutical field, was formerly held by another subsidiary, **Canadian Bronze Powder Works Ltd.**

Lymans' profit fell 55% in 1959 although sales were up 4.4%. International Bronze reduced final dividend on common stock to 15c from 25c (**FP**, Dec. 17).

ANNOUNCEMENT

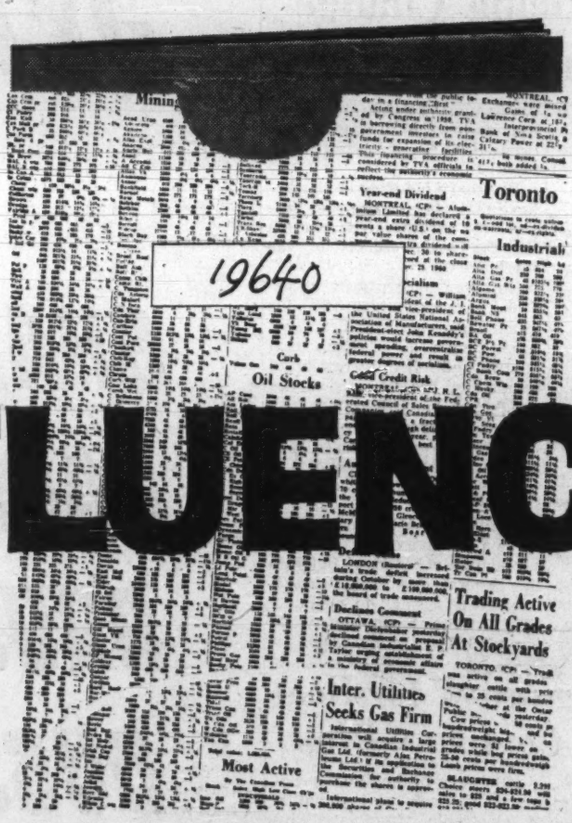
Confederation Life Executive and Management Appointments

B. T. HOLMES — G. G. MYER — E. RUSE — W. J. D. LEWIS — G. W. CHALMERS

Confederation Life Association announces the appointment of Benjamin T. Holmes, FSA, AIA, as Vice-President and Chief Actuary. Joining the company in 1925, Mr. Holmes has been Vice-President and Actuary since 1950. Gordon G. Myer, FSA, Edward Ruse, FSA, and Wilford James D. Lewis, FSA, are each appointed Actuary. Mr. Myer joined the company in 1929, Mr. Ruse in 1930, and both have been Associate Actuaries since 1951. Mr. Lewis has been with Confederation Life since 1948, becoming Associate Actuary in 1957.

George W. Chalmers, FIA, ASA, has been appointed Underwriting Officer. Having joined Confederation Life's United Kingdom organization in 1948, he came to Canada as Assistant Actuary in 1956.

THE SPECTATOR



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*N.E.B. income per household in Metropolitan Hamilton is $6,523, this is fourth highest of all Canadian metropolitan areas.
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ANNOUNCEMENT

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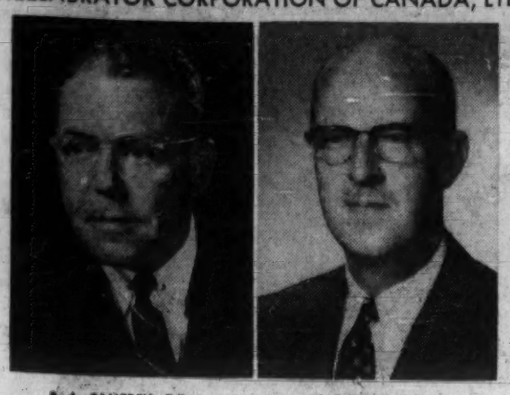

R. A. CAMPBELL, P.Eng. J. D. LAMB, P.Eng.

Mr. B. F. Cannaughton, President, Bell Intercontinental Corporation, announces the formation of Wheelabrator Corporation of Canada, Limited to better serve Wheelabrator's expanding business in Canada in the fields of industrial blast cleaning equipment and dust and fume control equipment. Mr. R. A. Campbell is Vice President and General Manager and chief executive officer in Canada. Mr. J. D. Lamb is General Sales Manager.

Instant Coffee Prices Dropping

Instant coffee prices — cut by major distributors—are tumbling lower at retail.

One brand has dropped from a month-ago high of $1.19 per 6 oz. to 79c.

Other reductions are in the 20%-25% bracket.

The cut was initiated by **General Foods Corp.**

Reductions come after a period of mounting supply in the world trade although consumption has been climbing in Canada.

Imports here have increased 50% in the last eight years, the Pan-American Coffee Bureau says.

The Bureau is increasing its promotional campaign in Canada to exploit what it calls "the still vast untapped potential market here."

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FP features

SIR BEVERLEY BAXTER

TELEVISION is a merciless jade. As an example, it recently gave us a resumé on the career of the great Lloyd George who, in the 1914 war, took the reins from the palsied hands of Asquith and led the nation to victory.

As soon as it was possible, Lloyd George launched a victorious general election and was swept to power again.

To the shame of so great a man he created a fund over which he exercised complete authority, and proceeded to sell titles.

Not all contributors to the fund were rewarded, a fact which was duly noted by a certain man of wealth, whom we shall call Mr. Smith.

Mr. Smith gave £25,000 to the fund, but to the surprise and embarrassment of Lloyd George the cheque was signed Blankinstone, or some such name.

BAXTER

"TV was cruel to concentrate on Lloyd George's shame, and ignore his mighty achievements."

Lloyd George asked for an explanation, and Mr. Smith coolly answered that this was the name he would take when Lloyd George made him a Peer.

The prime minister was chagrined and insulted, but the money was too great a temptation, and thus Blankinstone duly took his seat in the House of Lords.

During the phony war period in 1939 I spent a morning with Lloyd George. We went for a walk, and his vitality of mind and body was that of a young man.

Over and over again during the walk he exclaimed: "We haven't come to grips with the enemy!"

More than any other man in Britain he had contributed to the nation's victory in the 1914 war. Therefore, it seemed unnecessarily cruel of the television authorities to concentrate so heavily on his shame, and so little on his mighty achievements.

* * *

THOSE OF US with Canadian connections are often asked in advance to secure hotel accommodation in London, especially in the period known as "the season" when the telephone ordeal begins. The hotels are sorry and they promise to send word if there are any cancellations but the message seldom comes.

But this week London celebrated the completion of a new 18-story West End hotel to be called Carlton Towers. The setting is in Sloane St. which is near the Park and also near the river.

In fact, London has acquired its first skyscraper hotel. The cost was £2 million.

In ancient Rome it was the custom to offer a human sacrifice to placate the gods when a cathedral or palace was completed, but in Sloane Sq. they gave a watch to each of the workers and made congratulatory speeches.

I wonder if the ghost of Bernard Shaw will haunt the hotel. It was at the Little Court Theatre in Sloane Sq. that he produced his last play "Heartbreak House" which was duly murdered by the critics.

* * *

THERE WERE MANY doubts when Harold Macmillan broke with tradition and appointed the Earl of Home as Foreign Secretary. But already the new man has demonstrated that he does not intend to be a dummy or a mere echo of his master's voice.

He called on "Jock" Whitney, the retiring American Ambassador, to urge the urgency of finding a political solution of the Laos crisis. This, in effect, was a protest against the U.S. Seventh Fleet cruising in the South China Sea.

There is sanity in the air, and where there is sanity there is hope. It would seem that 1961 has started off well.

* * *

IN THE PARK near where I live in Kensington there is a little lake which gurgles in a high wind and sparkles like diamonds when the sun is vibrant.

Unashamed the town dwellers carry their miniature yachts to the water and watch them according to the wind or the tiny spring. London is forgotten. Imagination has carried them out to sea.

When dusk comes they go home with their yachts under their arms. They have lived for a little time in the realm of imagination.

Less Work, Better Profit For Structural Steel Men

By FORBES GILBERTSON

Despite a drop in shipments and bookings last year, the structural steel industry showed a more favorable profit picture.

In 1959, many firms lost money. Last year, most of them broke even or did a little better.

This is explained by drastic internal economies. Almost all undertook extensive programs of cost analysis.

The industry now has around 25% - 30% over-capacity. In 1959, some firms took on jobs knowing they would lose money. They counted on volume and profit on others to take care of overhead.

But, in 1960, they were willing to work at two-thirds capacity, bidding only on jobs which they felt would bring a reasonable profit.

At the moment, **FP** was told, labor forces of steel fabricators are down about 15%-20%.

Comparing 1960 to 1959:

Shipments of structural steel from fabricators for 1960 were an estimated 350,000 tons, compared to 385,000 tons in 1959 — down about 9%.

Shipments of steel joists were 30,000 tons, compared to 31,500 tons.

This represents the actual work put through the fabricating shops.

Indicative of a not-so-good year ahead:

The industry had a backlog of work at end/59 of 227,000 tons of structural steel. At end/60, figure was around 200,000 tons — down about 12%.

Bookings were good at the beginning of 1960, tapered off after that, **FP** was told. But in the last month or two of 1960 they fell off some 25% compared to the same time in 1959.

"Things are very flat," one industry official said cryptically.

Structural steel men hope that the general economy will pick up around mid-year. Allowing for a normal lag, this could mean a brighter picture in bookings in the fall.

Competition, keen for the past two years, will be the fiercest yet among fabricators.

They feel there's plenty of work in sight, but prospective private buyers of construction are loath to move until they feel the general economy is on the upswing.

Some leading firms which design industrial plants and other buildings confirmed this view.

One engineer told **FP**: "We have never had so many potential projects on hand as we do right now. Yet the percentage which have received the green light from the customer is low.

"But there has been a great increase in the number of enquiries concerning projects for the future compared to a year ago."

Another major firm reported that industrial and commercial business had fallen off seriously in the past year. But it said there were indications of more activity now.

Other firms had projects scheduled to go into the investigation stage over the next few months. This could mean a start on some of them toward the end of 1961.

London Hosiery Suits Settled

Settlement of legal proceedings to wind up **London Hosiery Mills Ltd.** is outlined in a letter to Class A and minority common shareholders, from J. H. Christie, chairman of the protective committee for those shareholders.

The terms:

- **Committee** recommended acceptance of a cash offer of $7.70 per Class A share, and $3 per common share, made by controlling shareholder **Almer Corp.**
- **Controlling** interests of London Hosiery would pay $25,000 in respect of legal expenses of the protective committee.
- **London Hosiery** would consent to dismissal without costs of a defamation action it brought against Christie and others.
- **To settle** the disposition of the matters complained of in the winding-up proceedings and not rectified, an action would be commenced on behalf of all shareholders except controlling interests, claiming relief in these matters.

"This action was commenced and was settled by filing minutes of settlement with the court," Christie said.

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ANNOUNCEMENT

Marshall Wells Announces Executive Appointments

H. B. R. KIRKPATRICK

S. J. COPPINGER

R. G. ROCK

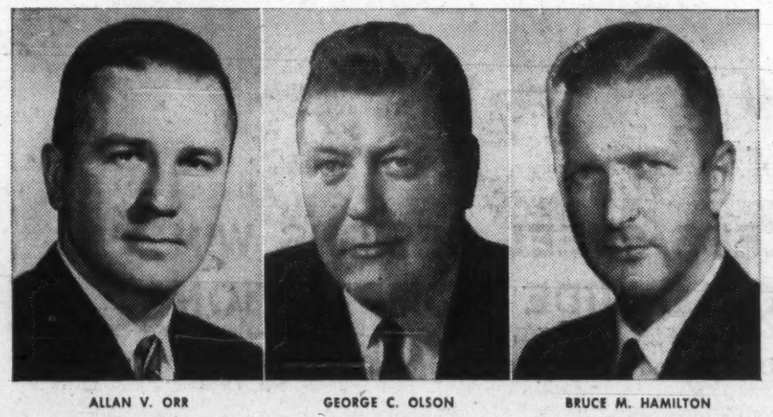
P. C. Fikkan, President of Marshall Wells of Canada Limited, announces the appointment of H. B. R. Kirkpatrick as Vice-President in charge of Merchandising, in the Home Office, Winnipeg. Mr. Kirkpatrick will direct all buying and merchandising activities of the Company. He is a member of the Company's Management Committee and has held many important Senior Executive Positions. His most recent being Vice-President and Manager of the British Columbia Region.

S. J. Coppinger is appointed Manager of the Vancouver Branch of the Company, to succeed Mr. Kirkpatrick. Mr. Coppinger has spent his entire business career with Marshall Wells as a Salesman, Sales Manager and as Manager of the Company's Saskatoon Branch, from which he is promoted to his new position in Vancouver.

R. G. Rock is appointed Manager of the Saskatoon Branch, to succeed Mr. Coppinger. Mr. Rock returns to the Branch of the Company where he began his business life as a young man. During the intervening years, he has served in various Branches as Salesman, Department Manager, Sales Manager and latterly in an executive capacity at the Home Office.

ANNOUNCEMENT

ATLAS STEELS MANAGERIAL APPOINTMENTS



ALLAN V. ORR GEORGE C. OLSON BRUCE M. HAMILTON

The following appointments, effective January 1, 1961, have been announced in the North American Division, Atlas Steels Limited, Welland, Ontario. George C. Olson has been named Works Manager, and will be responsible for all divisional manufacturing operations. Bruce M. Hamilton was appointed Manager of Metallurgy, and will direct all divisional metallurgical functions. Allan V. Orr was named Manager of Marketing and will direct all sales activities of the Company's specialty steel products within the Division.

New Issue

$750,000
SIMCO ENTERPRISES CO. LTD.
(Incorporated under the Quebec Companies Act)
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Date of Issue: January 1, 1961

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We, as principals, offer these Bonds, if, as and when issued and accepted by us and subject to approval of all legal matters by our Counsel, Messrs. Geoffrion & Prud'homme.

January 1, 1962	75,000	January 1, 1967	75,000
January 1, 1963	75,000	January 1, 1968	75,000
January 1, 1964	75,000	January 1, 1969	75,000
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Prospectus furnished upon request.

Test Plastic Cable In Passamaquoddy

From Our Own Correspondent

FREDERICTON — Laying of a 4,500-ft. test section of 12,000-v. polyethylene-insulated submarine power cable on the ocean floor linking Campobello and Casco Islands has been completed by the **New Brunswick Electric Power Commission.**

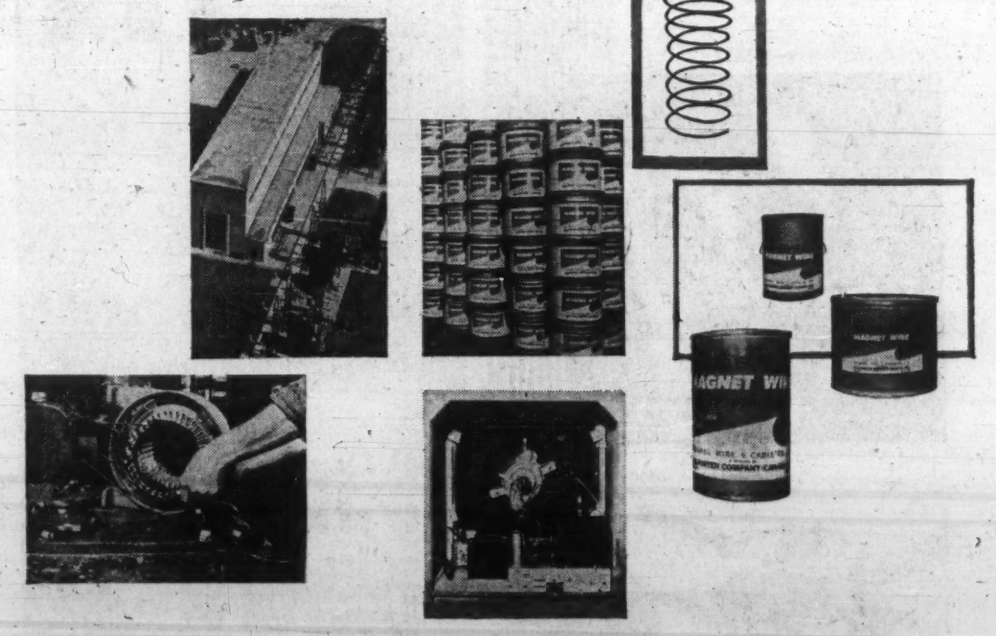
It is the first time in Canada that "plastic" insulated cable carrying such a high voltage has been used in submarine work. The design, manufacture and installation of the cable is a joint experiment of the NBEPC and the **Canada Wire and Cable Co.**

If found satisfactory three single phase cables will be laid from Campobello to Casco Islands and three from Casco to Deer Island providing an alternative source of power for Deer Island.

The new plastic insulation is about one-fifth the weight of conventional lead covered cable and is more flexible.

It is expected the polyethylene will be less subject to bruising in the fast currents of Passamaquoddy Bay where tidal currents run as high as six knots.

LOOK TO **FEDERAL** FIRST



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How Can We Finance Badly Needed Parks?

By BEATRICE RIDDELL

As more land is gobbled up for real estate and industrial development across Canada, the cry gets louder to reserve the few remaining tracts near big cities for public parkland (**FP**, Sept. 17/60).

Most critical area is southern Ontario—specifically the region bounded in the south by Lake Ontario between Oshawa and Niagara.

About 18% of Canada's population lives here, hemmed in by factories and offices.

The controversy flared again this week when the Ontario government turned down a second request to buy a 130-acre, $500,000 property at Clarkson (15 mi. west of Toronto and 22 mi. east of Hamilton) for a provincial park.

The reason: Cost and high proportion of government money already spent in this area.

Outstanding feature of the property, according to the park promoters is a safe sandy beach — one of the last available along this built-up waterfront.

Petitions were made by a joint committee of Clarkson's Chambers of Commerce and service clubs and the influential Conservation Council of Ontario (with a membership of 200,000 naturalists, scientists and industrialists).

Here is the argument from both sides as outlined to **FP** this week:

* * *

Government: The land is not large enough for a provincial park. Few campsites (normally 50 sq. ft., with similar area as buffer between sites) could be laid out. And maintenance costs would be proportionately higher than in a park of 500 acres or larger.

Council: Some provincial parks are smaller.

Government: Most smaller parks have either been surplus land left from highway building, or gifts from private individuals. In the past four years only one property smaller than 450 acres has been bought for a provincial park.

Also, the property in question is in a completely built up area and should come under municipal, rather than provincial, jurisdiction.

Council: Few municipalities can afford to buy this sort of property even with government help.

Clarkson's population is little more than 1,000 and maximum assistance under the Parks Assistance Act would be $50,000.

Government: About 40 acres of the property is swamp land.

Council: For many users this is no objection. The marshes would make an ideal bird sanctuary and provide variation in terrain.

Government: The conservation branch will provide about $2 million in the coming year toward conservation and park lands in the Metropolitan Toronto area.

An additional $500,000 is too much to spend in one general area in one year.

Council: This is where the land is most needed. Therefore, it is reasonable to spend a lot more money in this highly industrialized area.

Government: Price is too high for the size and quality of property.

Council: If it is too high for the government, it is certainly too high for small municipalities. All land in this area is valuable and, therefore, expensive.

The property is, for the moment at least, lost to park development unless money is raised privately. But the council will almost certainly ask the government to outline its parks policy and specific suggestions for solving the land crisis in southern Ontario.

The problem for the government is, of course, money.

Every department is facing the need to cut spending wherever possible.

And despite the present controversy, the provincial government has built up one of the best parks systems on the continent with a number of excellent parks in southern Ontario.

Last year, Ontario government spending on parks throughout the province amounted to about $7 million.

In the case of the Clarkson property some believe a better approach to the Ontario government would be through the Credit Valley Conservation Authority.

For an approved land project involving flood control, conservation or recreation, the government will pay 50% of the cost of acquisition and development by a recognized authority (based on geographical boundaries of a watershed).

The Credit Valley Authority (including an area of 391 sq. mi.) could draw on a population of about 100,000 to pay the other 50%.

But there are other urgent land and conservation problems in the area.

Besides, the people who would benefit most — those in Toronto and Hamilton — do not live in this watershed.

One suggestion made by the conservation council is to issue bonds for the purpose of parks acquisition and development as is done in New York State.

However, in New York limits are set on direct government borrowing. Separate "authorities" are set up, similar to crown corporations in Canada, to borrow on their own to avoid exceeding the state debt limit.

But whatever the solution, it seems probable that parks users will have to be prepared to pay a higher price to enjoy their natural heritage.

New Barrie Plant To Make Fittings

Construction of a $750,000 plant at Barrie, Ont., will be started soon by **Imperial-Eastman Corp. (Canada) Ltd.**, a subsidiary of **Imperial-Eastman Corp.**, Chicago.

The 23,000 sq. ft. plant will make tube fittings, valves and hydraulic lines and fittings.

W. C. Musham is president, and Charles McNellis vice-president and general manager. John Grant, Toronto, retiring president of Imperial's Canadian operations, will continue as Canadian distributor of the company's products, through his firm, **Grant Bros. Ltd.**

Realty Firm Issues Bonds

MONTREAL (Staff) — An issue of $750,000 7% first mortgage serial bonds of **Simco Enterprises Co.** is being offered at par by **La Maison Bienvenu Ltée.**

A real estate development company, Simco is a subsidiary of **Simard & Frères Cie.** Among the company's real estate projects is the Fontainbleu Apartment development in Ville LaSalle near Montreal and Ville d'Esterel, a resort city in the Laurentians.

The bonds mature $75,000 annually Jan. 1/62 to Jan. 1/71, inclusive. They are not callable.

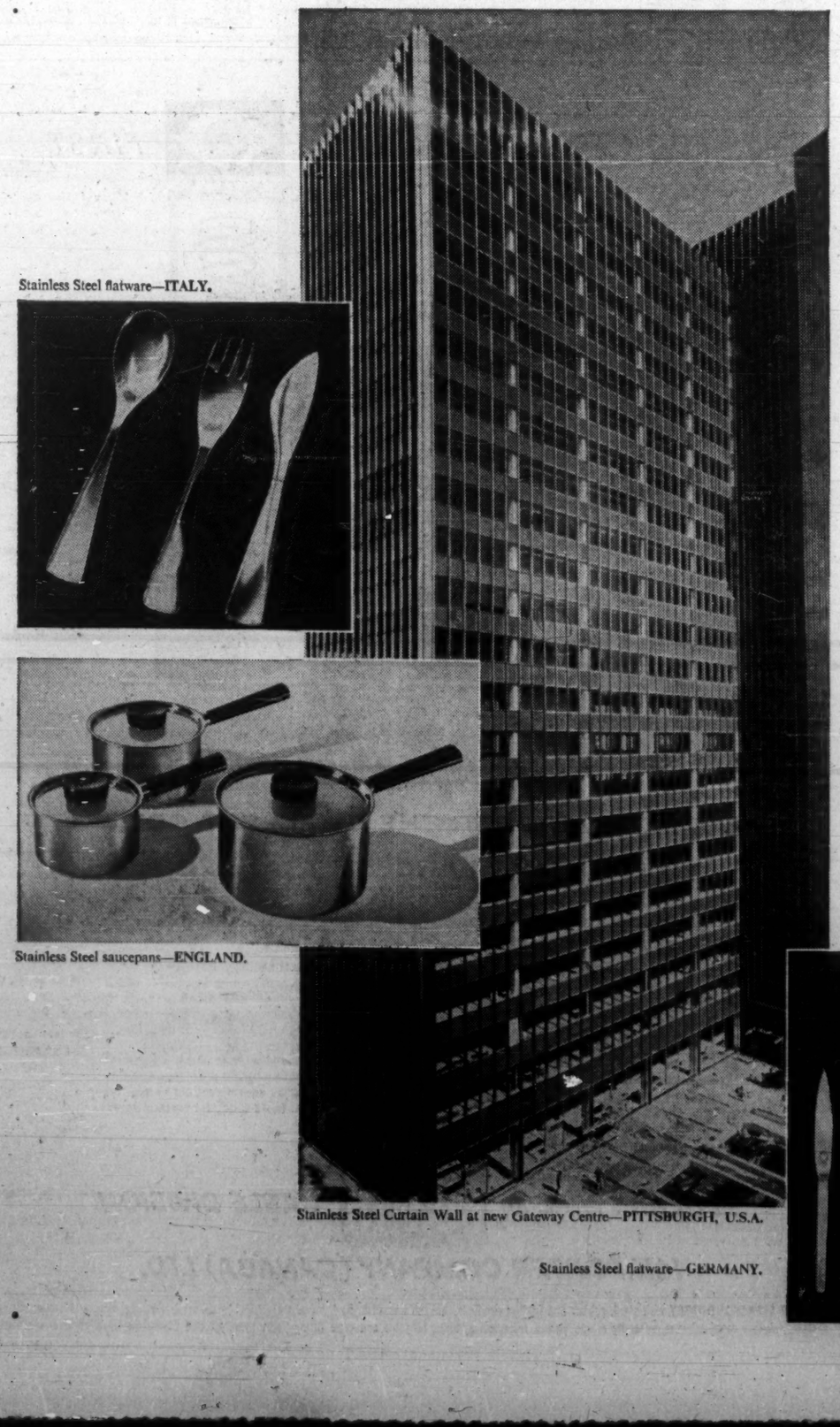
In six months to Sept. 30/60, Simco net profit was $44,378. This compares with a profit of $81,258 in year to March 31/60.

Consolidated net profit of Simco and Simard in year to March 31/60 was $344,766 ($319,725 in previous year).

After giving effect to the issue, outstanding capitalization of Simco at Sept. 30/60 comprised: $750,000 7% bonds authorized and outstanding; 10,000 6% redeemable noncumulative $10 par preferred shares authorized, of which 5,000 are outstanding; and 20,000 common shares, $10 par authorized of which 1,055 are outstanding.

Officers and directors of Simco are T. L. Simard, president, F. Simard, vice-president, and J. Levasseur, secretary-treasurer, all of Montreal.

Proceeds of the issue are to repay $552,778 due parent Simard & Frères, and for general corporate purposes.



Insignia of the Stainless Steel Design Awards Committee.

STAINLESS STEEL DESIGNS WIN AWARDS IN WORLD-WIDE COMPETITION

Canada's National Industrial Design Council sponsors international competition in stainless steel design

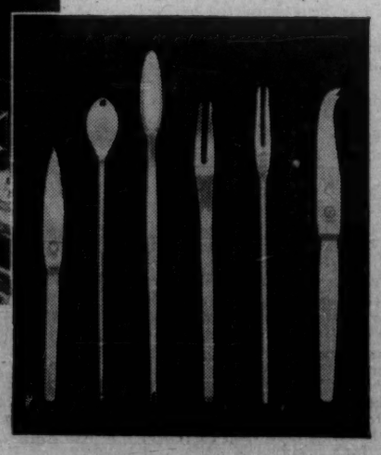
Canadian industrial designers and the Canadian public are getting an exciting look at some striking examples of stainless steel design. They are the award-winning designs in the exhibition now touring Canada.

Stainless steel has a rich, silvery lustre, plus strength, corrosion and heat resistant qualities that make it an ideal material for industrial designers. It can be fashioned into gracious flatware and holloware for the dining table, practical, easy-to-clean pots and pans, sinks and kitchen utensils, architectural components for the exterior of modern buildings, bright, beautiful hardware and ornamental accessories for the interior.

Nickel in stainless steel helps strengthen it, increases its resistance to heat and corrosion, makes it easier to shape and fabricate.

Canada is the world's largest producer of nickel. And Inco, through world-wide sales, market development and service operations, has developed world markets for Inco nickel.

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED
55 YONGE STREET, TORONTO
INCO TRADE MARK


Stainless Steel flatware—GERMANY.

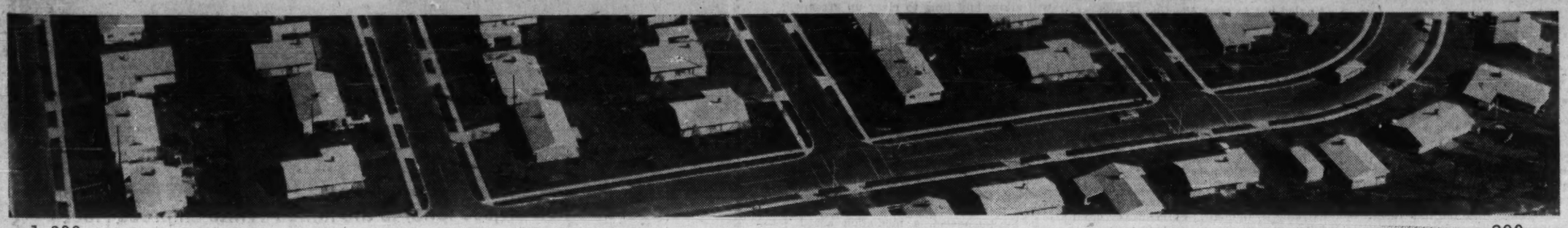
Stainless Steel saucepans—HOLLAND.

Stainless Steel exterior door and detailing of the Mackenzie Building, TORONTO, CANADA.

The Financial Post

Vol. LV | Member of Audit Bureau of Circulations | Publication Office: Toronto, January 21, 1961 | Twenty-five Cents an issue, Eight Dollars a Year | No. 3

The Trends Across Canada in Mortgage Foreclosures



ARE WE HEADING FOR MORTGAGE TROUBLE?

Mortgage foreclosures are on the rise.

The number is still very small in relation to the number of mortgages outstanding in the country. It is also infinitesimal compared with the unhappy record in the hungry 1930s. But the increase has been enough to sharpen interest in the state of Canada's mortgage debt, and raise questions about the position of both lenders and borrowers.

This special FP roundup indicates lenders have a much more solid foundation for their loans than they had three decades ago. Also, unless a borrower is dealing with elements operating mainly in the second mortgage field, he stands a good chance of coming out all right, even if he does encounter temporary misfortune.

The main worry now: Will a slowdown in demand bring a general cut in real estate values, to the point where many owners' equity will disappear?

By NEVILLE NANKIVELL

In the melodramas of bygone years, the traditional villain of the stage and silent screen was the black-cloaked, mustachioed scoundrel who threatened to foreclose the mortgage on the poor widow and her beauteous daughter.

Good usually triumphed over bad, but not before several harrowing scenes in which the villain used the mortgage as bait to try to further his evil designs on the widow's daughter.

Today, the man with the foreclosure notice is neither as colorful nor as common.

The homeowner, particularly, is protected by laws designed to help the worthy over the rough spots, and by a general recognition among lenders that it's worth carrying defaulters if there is any hope at all of their meeting their obligations.

The number of foreclosures has been climbing. But, so far, the increase has been roughly in line with the total amount of mortgage debt outstanding.

In eight areas across the country for which **FP** was able to get figures, the number of foreclosure proceedings increased 222% between 1952 and 1959.

In the same period, the value of all mortgage debt held by government agencies and lending institutions rose by 192%. In other words, both foreclosures and mortgage debt have roughly tripled.

Neither the foreclosure figures nor the mortgage totals cover the whole country. But the eight areas account for about 20% of the country's population, and the mortgage loans for an estimated 65% of the national total. They should be reasonably representative of the trends.

When you get down to individual areas, the conditions vary.

For instance, mortgage foreclosures in Ontario's heavily populated York County soared in 1960 to their highest level in a decade.

This county, which includes sprawling Metropolitan Toronto, has had a steadily rising foreclosure rate since 1953. The number of foreclosure judgments signed last year was up 60% at the end of the third quarter, and it looked certain that year-end figures would hit 1,000.

But a spot check by **FP** of seven other judicial areas from the West Coast to the Maritimes showed 1960 increases in two areas, a drop in one and little change in the remainder. This was mostly on the basis of end-of-third-quarter figures compared with first nine months of 1959.

The results—Carleton County (Ottawa) up 40%, Lands Titles District of Winnipeg up 25%, Halifax County down 50%. At same levels—Essex County (Windsor), Victoria Judicial District, District of Thunder Bay (Fort William and Port Arthur) and Regina.

Also up are foreclosures involving loans under the National Housing Act. In 1960 these zoomed to more than three times the 45 recorded in 1959. Of these, more than 100 involved insured loans made during the last six years.

You have to look well behind the bare statistics, though, to find out what's really happening in the mortgage business.

Mortgage lending has increased tremendously in the postwar period and foreclosures during the last decade have been only a fraction of total mortgage loans.

And recent foreclosure actions bear little resemblance to those of the grim depression days of the 1930s — when foreclosure threatened borrowers even though their initial equity had often equalled their mortgage loan.

In trouble now are mostly borrowers who plunged too quickly into house-buying with the aid of second—or even third—mortgages.

Most foreclosure actions are initiated by the secondary lenders, whose mortgage loans have no security except the borrower's equity.

By contrast, few foreclosures are reported by the big institutional lenders — the life, loan and trust companies—who confine their activities to first mortgage lending.

Even when their customers run into repayment difficulty, eviction is far down the list of actions taken to retrieve the situation.

Instead, present-day philosophy includes a grey-flannel approach that seeks to keep foreclosed real estate out of the lender's mortgage portfolio.

Mortgage lending practice now puts emphasis on the idea that prevention is the best cure.

Executives of the large lending institutions say they have had to take final foreclosure action in only isolated cases, and that their 1960 experience was not very different from any of the last 10 years.

Some of the bigger firms boast not a single foreclosure last year. Others were involved in one or two.

Their typical comment: "We haven't had any foreclosure problems for some time."

The 50 member firms of the Dominion Mortgage & Investments Association are life insurance and trust and loan firms who do the major part of the country's institutional mortgage lending.

Yet these 50 firms had only 50 foreclosures among them in 1960.

Such a low rate of foreclosures is a far cry from the experience of these same companies in the 1930s. Foreclosure statistics for those hard times aren't available (no one seems to have collected them, but mortgage foreclosures then were heavy).

"There were streets upon streets where most of the houses belonged to the mortgagee (the lender)," Jules E. Fortin, DMIA secretary-treasurer, recalls.

The situation was so bad that the provinces passed moratorium laws which stopped lenders from taking court action to foreclose, and postponed or suspended the borrower's mortgage repayments.

Most of the moratorium laws gave relief only from repayment of principal, but in Quebec, regardless of the contractual rate, interest of 5% only was payable.

In some provinces, the courts readjusted mortgage debts to meet the borrower's reduced income, and the lenders lost heavily.

At times they even had to pay someone to live in a foreclosed house or farm so there would be someone to look after the property.

In the 1940s, moratorium legislation prohibited foreclosures involving property of servicemen. Ontario's moratorium laws of 1932 didn't lapse until 1946.

Since then, foreclosures have been at a far lower rate.

The actual figures, however, are as elusive as a will-o'-the-wisp, due in part to the differences in legal procedure and foreclosure practice in the 10 provinces.

In Quebec, a houseowner may lose his property as a result of court action over non-payment of a loan he received to build or buy it. But this isn't described as a foreclosure because no such thing exists technically in the province.

No central body collects foreclosure figures for the other nine provinces and all the courts seem to have different methods of filing actions involving them. The figures used in the chart with this story come from areas which had results of foreclosure actions in reasonably accessible form.

The tremendous growth in mortgage debt is shown in figures prepared by the research department of the government's **Central Mortgage & Housing Corp.** It estimates that at the end of 1959 total mortgage debt stood at nearly $11,000 million — lending institutions $5,234 million, government agencies $1,680 million and private lenders $3,700 million.

This compares with mortgage debt in 1930 of lending institutions $798 million and government agencies $171 million. An estimate of debt of private lenders is not available.

Corporate lenders have been boosting the total of their mortgage loans at an average rate of 17% a year. And since 1935 — when the federal government stepped into the mortgage field — more than two million housing units have been built in Canada, more than 600,000 of them under the National Housing Act.

Despite this huge program, foreclosures under NHA since 1950 are less than 1/20th of 1% of NHA loans approved in the period.

A CMHC spokesman told **FP** "the main reason why foreclosures have been low in this period is that since World War II, owners who got into financial difficulty have been able to sell their properties and not only clear their debt, but realize something on the asset as well".

He said, "This condition isn't likely to continue when there's any fall off in demand, or when buyers are able to be selective."

This is what's happening now. Real estate prices have slumped, and foreclosures are rising.

It's also the reason why some observers are concerned by the nature of recent foreclosures.

They say that too often unsound secondary financing is causing a heavy and critical combined debt load — one that makes the borrower vulnerable to foreclosure action.

The slightest drop in income, due perhaps to unemployment or illness, could put this type of borrower's mortgage payments in arrears.

The extra burden of payments on the car, furniture and major durables snowballs the debt difficulty and leaves the borrower little chance of recovery after an initial default.

The easy availability of low down payments provides no cushion of equity on which to fall back.

The holder of the second mortgage, anxious to keep his interest safe, maintains payments on the first mortgage ("Come hell or high water," said one life insurance company executive), and takes foreclosure action without disturbing the primary loan.

On the sale of the house, a new owner assumes the existing first mortgage and takes over its payments.

Sidney Stulberg, secretary of the Ontario Mortgage Brokers' Association, told **FP** that this sort of situation is becoming more and more frequent in Ontario.

"Borderline-type house financing by unqualified people is causing a lot of trouble," he said.

"The majority of newer properties under NHA and conventional mortgages have second mortgages on them. Often the borrower doesn't realize the price he is paying for this money. He becomes loaded down with heavy monthly payments."

Stulberg says misleading advertising often confuses the prospective borrower, who thinks his house will carry for about $85 a month, but ends up paying out $150.

"This extra amount includes taxes, heating, insurance, maintenance costs, new furniture . . . costs the borrower wasn't aware of."

A Toronto solicitor active in the mortgage business blames low down-payments for certain difficulties.

These inflate the end price of a house, he says, and the borrower has to get a second mortgage. This makes the borrower's debt higher than the true worth of the house.

He also complains that monthly payments on many second mortgages are so low they barely cover interest, and at the end of their term of two to four years a large amount of principal is still owing.

The borrower has to negotiate another mortgage to pay off the existing one, usually at a higher rate of interest and with a large discount, putting him further in debt.

The solicitor recommends down-payments of at least 20% or 25%, monthly mortgage payments that include a reasonable reduction of principal and don't exceed one quarter of the borrower's gross income.

He warns that " if we experience any further recession, this credit structure of ours could come tumbling down."

Observers say foreclosures involving commercial properties are directly relat-

(Continued on Page 24)

Foreclosures

Judicial Area	1960	1959	1955	1950
Halifax	*12	31	16	14
Ottawa	*28	25	14	9
Toronto	*846	759	405	‡197
Windsor	*63	83	35	24
Ft. Arthur & Ft. William	*12	11	12	1
Winnipeg	†126	100	64	61
Regina	*2	2	1	2
Victoria	*14	29	12	8

*To end of third quarter. †First 11 months.
‡1952, previous years not available.
Ontario, Victoria totals are foreclosure judgments signed.
Winnipeg figures are applications for mortgage sale, followed by foreclosure which transfers title to new owner.
Halifax totals are orders approving sheriff's sale, following foreclosure proceedings.
Regina totals are final decree for foreclosure.

Mortgages—Then and Now

1961	1930
Loans available on terms up to 35 years, with average NHA loan 25 years and average conventional loan of 15 to 20 years.	Short-term loans of five years.
Loan ratio of up to 95% for NHA, 60% for conventional.	Loan 50% of appraised value.
Flexible approach to early repayment.	Rigid approach to early repayment.
Repayments monthly with amortization of loan during loan term.	Repayments semi-annually or annually.
Blended equal monthly payments of interest and principal, estimated taxes.	Repayments include interest, only small amount of principal, borrower made own arrangements to pay taxes.
Principal of NHA loans repaid by maturity. Amortization of conventional loan principal worked out on 15 to 20 year term, but balance due every five years when new loan negotiated.	Most of principal still owing at maturity, requiring negotiation of another loan.
Guarantees to lenders (NHA loan insurance).	No mortgage insurance.
Most mortgages on residential real estate.	About half mortgages involved farm properties.
If borrower in distress, lender will often adjust loan terms to meet reduced income.	Not as flexible, although increasingly strong efforts made by lenders to help borrowers in decade following.
Low down-payments.	High down-payments.
Laws and practice more favorable to debtor, harder to get vacant possession of foreclosed real estate.	Laws and practice less favorable to debtor.

Mortgage Foreclosures Rise

(CONTINUED FROM P. 23)

ed to the rising rate of business failures.

Others involve builders' mortgages. These are loans made to finance house construction projects. When the houses are sold, the mortgages are transferred to the home buyers. If the houses aren't sold, the builder may find it difficult to keep up payments.

The bankruptcy of a construction company in Winnipeg last year, for example, resulted in sale and foreclosure of 20 of its properties.

The number of final foreclosure actions completed in the courts is far lower than the number commenced.

In British Columbia's Victoria Judicial District, there were twice as many actions started between 1950 and 1958 as there were foreclosure judgments signed.

Donald T. Elliott, local registrar for the Supreme Court of Ontario, Ottawa, says, "Often the writs (for foreclosure) are issued and the action is never completed.

"Presumably, the issue and service of the writ brings the desired result — namely, payment."

There are also many more defaults than there are foreclosure actions. Executives of corporate mortgage lenders say they haven't noticed any significant increase in defaults recently.

But some admit that their staffs are working a little harder nowadays to make sure collections flow in smoothly.

One leading life company had no foreclosures in 1960, but 60 mortgage accounts in arrears. In 1959 the company had 87 arrears problems.

Although foreclosure is a perfectly legitimate action to enforce the agreement made between borrower and lender, most mortgage lenders emphasize that their business is making loans, not selling real estate.

They say they take foreclosure action reluctantly — only as a last resort.

Many of them painfully remember the 1930s when thousands of foreclosed properties glutted the real estate market and were unsaleable for many years. It was even difficult to rent them at prices high enough to pay the taxes.

Since then, however, mortgage lending practice has changed drastically — helping to keep foreclosures at a low level.

Blended monthly payments and larger repayments of principal are usually singled out as most effective in preventing foreclosure problems.

(They have also contributed greatly to the lenders' healthy flow of cash for investment in mortgages. Figures on the nation's leading life insurance companies show that principal repayments on old mortgages now provide 35%-40% of the money companies supply for new mortgages.)

In the 1930s, the initial default meant that six months or a year of payments would be owing — usually taxes as well — and recovery by the borrower was extremely difficult. Foreclosure often followed.

But now, the initial default means only one month of payments is owing. Prompt investigation often leads to the matter being straightened out before the borrower gets too far in arrears.

Certainly six or 12 defaults are hardly ever allowed to slip by.

"When someone gets into difficulty," said a life company executive, "the case is judged on its merits and every possible way of helping the person is explored.

"We try to keep a man in a home when there has been evidence of pride in ownership," the executive said.

"Sometimes the balance due can be spread out over a longer term. Or relief from principal may be given for a while, and only interest payments demanded."

Usual procedure is to hold off legal action until the borrower is three months in arrears. Sometimes threatening legal action does the trick, otherwise a writ has to be issued.

And there's plenty of protection nowadays for the home owner. If his payment difficulties are temporary, he faces little chance of losing his home.

In Ontario, for example, the homeowner can file a countersuit to forestall foreclosure action for at least six months. If he's only $100 in arrears, no judge is likely to grant foreclosure, but instead will allow him time to clear up arrears and reinstate his loan standing.

When sale of the house is involved, it's the court's responsibility to see that a fair price is paid, thus preventing rigging of the sale.

And, where foreclosure doesn't necessarily mean sale (Ontario, for example), but the lender acquires title to the property instead, the judge will order a sale if he thinks the proceedings will benefit the homeowner.

In several provinces (Maritimes and Prairies) sale is part and parcel of foreclosure proceedings.

In Saskatchewan, a mediation board which acts as conciliator between debtor and creditor is a holdover from the province's moratorium legislation of the 1930s. Permission to foreclose has to be granted by the board.

In all provinces, foreclosure or similar action takes a lot of time — several months may pass before title and possession is obtained — and legal and other expenses are high.

These all act as a deterrent to foreclosure, making lenders try other methods first.

The second mortgage holder has other problems. He has to pay arrears on the first mortgage and taxes to protect his interest.

Once the first mortgage falls in arrears, the first mortgagee has the right to foreclose, and there may be nothing left from subsequent sale for the junior creditors.

The size of the householder's equity is the main factor in whether or not he will get something out of a foreclosure sale. The more he has, the better his chances are.

Not all home losses show up in foreclosure actions, although the effects on the homeowner are similar.

Sometimes, when the borrower is in a hopeless position he will give his interest in the house to the lender in exchange for cancellation of the mortgage debt.

Often mortgage contracts include power of sale, under which the lender can force a sale upon default.

The borrower gets what is left from the proceeds. But he can take court action if he thinks the sale price wasn't fair.

These other forms of action and the difficulty of collecting adequate statistics on them, make the over-all mortgage picture hard to discern in definite outline.

But enough can be seen now to indicate that mortgage loans are still in good shape. How they will look in future depends on how business conditions develop from here on.

Who Holds the Mortgages—

Mortgage Loans Held by Governments, Government Agencies and Lending Institutions, 1930-59

Year	Governments and Government Agencies	Lending Institutions	Total
		(Millions of Dollars)	
1959	1,681	5,234	6,915
1958	1,337	4,657	5,994
1957	973	4,112	5,085
1956	893	3,723	4,616
1955	868	3,025	3,893
1950	459	1,303	1,762
1945	151	556	707
1940	193	681	874
1935	155	711	866
1930	171	798	969

Source: CMHC.

Note: Figures do not include loans by private lenders. Such loans outstanding at end of 1959 were estimated at $3,700 million.

Reserve your place aboard the *NEW* Canadian Pacific Flagship

EMPRESS OF CANADA

Largest addition (27,300 tons) to the famed White Empress Fleet

Be among the first to sail aboard this newest and largest White Empress liner, entering service April 1961, with her first sailing from Montreal May 5th. Specifically designed for transatlantic crossings as well as cruise service, the Empress of Canada features the latest innovations in ship engineering and amenities . . . air-conditioned throughout, including the promenade decks . . . with individual air-conditioning controls in all cabins . . . open sunshine decks in echelon. With fourteen public rooms—theatre, lounges, restaurants . . . this ship is truly a floating city, and a worthy setting for world-famed Canadian Pacific cuisine, service and hospitality. The Empress of Canada will join the Empress of Britain and the Empress of England in regular weekly sailings from Montreal to Europe for the 1961 St. Lawrence season. Sailings of Empress of Britain from Saint John during the winter season.

Canadian Pacific

SEE YOUR TRAVEL AGENT, or any Canadian Pacific office.

Use Art to Make Profit, Ottawa Plans New Drive

OTTAWA (Staff) — How to use art in industry for greater profit . . .

This has been the basic message of the National Industrial Design Council since its inception in 1948.

More vigorous promotion of that message is planned by the Trade Department, now that it has taken over from the National Art Gallery responsibility for NIDC.

Persons familiar with NIDC operations in the past are skeptical, however, about possibilities for quick success.

"We'd like to get it out of the art galleries," one Trade Department official said, "and into a much closer liaison with industry all across the country."

A source connected with NIDC during its associations with the National Gallery, said the council has always tried to do this.

But it ran into not only apathy and indifference among many Canadian manufacturers, but also ignorance of the real meaning of industrial design.

Many manufacturers, he said, confuse styling with design.

Styling might involve only the addition of a few new strips of chrome.

Design involves the whole process of manufacturing a product — planning it, calculating the most economical methods and materials, ensuring best performance,

Good design also includes how the product will eventually be marketed — how to package and sell it.

Deputy Trade Minister James Roberts said recently he considers industrial design and its promotion through the NIDC "very much an instrument of trade development."

The man who'll be directly responsible for the new course of the NIDC is Bertram G. Barrow, assistant deputy minister in charge of the department's domestic commerce activities.

Barrow's first task is to find a new director, to replace Norman Hay who resigned last fall to go into private industry.

The present four- or five-member staff of the Design Centre, headquarters of NIDC operations, may eventually be doubled or tripled — along with the centre's annual budget, which has averaged about $75,000.

Barrow will likely try to enlist more direct participation by the Canadian Manufacturers' Association and other influential business organizations.

New efforts likely will be made to organize industry committees affiliated with NIDC in main industrial centres—Montreal, Toronto, Vancouver, Winnipeg, Halifax and others.

Chemical Groups Fight About Three Products

OTTAWA (Staff) — Most of the argument in the Tariff Board's fifth hearing on chemicals revolved around proposed duty rates on these products:

- **Titanium dioxide,** a white pigment used in making paints, linoleum and plastics and in bleaching paper.

Largely because of expansion of the paint industry, consumption of titanium dioxide in Canada jumped from 12 million lb. in 1945 to almost 70 million lb. last year.

- **Litharge and red lead** (lead monoxide and trilead tetroxide respectively).

Litharge is used mainly in making storage battery plates. Red lead is a paint ingredient.

The chemical industry committee included titanium dioxide and the two lead oxides in its blanket recommendation, i.e., it proposed tariff rates of 15% BP and 20% MFN.

At present, most titanium dioxide enters Canada free under both BP and MFN schedules.

Litharge for storage batteries is free under both schedules, but litharge for other purposes pays 15% under MFN. Red lead is free under BP, pays 12½% MFN.

Two briefs supported the industry committee proposal for higher rates on titanium dioxide, three opposed it.

One of the supporting briefs was submitted jointly by **Canadian Titanium Pigments Ltd.,** which manufactures the chemical in Canada, and **British Titan Products (Canada),** which is building a plant to do so.

These two companies argued that fierce competition for Canadian producers was just around the corner.

"Titanium dioxide processing methods are now well known and not protected by patents. As a result, the number of individual producers outside the U. S. has increased from 10 to 23 over the past 10 years and will have still further increased to at least 31 by 1963.

"By 1963, there will be surplus productive capacity outside the U. S. of some 427 million lb. per annum, an amount equal to five times Canadian requirements," they said.

Most of these producers, because they paid low wages could produce titanium dioxide for 80% to 85% of the Canadian cost.

Canadian Titanium and British Titan were opposed by a U. K. manufacturer, by the Canadian Pulp and Paper Association and by the Canadian Rubber industry.

The U. K. manufacturer, **Laporte Titanium,** London, said that Canadian producers should be able to hold their own in world markets because of the easy availability of the principal materials, sulphuric acid and titanium-bearing ore.

The paper and rubber makers opposed increasing duties on titanium dioxide because both use it in their manufacturing processes.

The Tariff Board heard five briefs on the lead oxides. Again, there was opposition to the chemical industry committee proposal of 15% and 20% protection.

Three companies, **Canada Metal Co., Carter White Lead Co.** and **McArthur, Irwin Ltd.,** supported the higher rates. These companies manufacture litharge and red lead for sale.

Associated Lead Manufacturers, London, which sells both litharge and red lead in Canada, said that U. K. export of both chemicals which compete with Canadian production were very small — about 180 tons of a market of over 6,500 tons.

The U. K. manufacturer has a price advantage on the Canadian producers in Newfoundland and British Columbia because ocean freight rates from the U. K. are lower than railway freight rates from Ontario and Quebec.

For the first time, the chemical industry committee's basic recommendation of 15% BP and 20% MFN rates was questioned seriously by the Tariff Board.

These figures have no direct relationship with any particular Canadian production - import situation.

They were chosen simply because these are the rates now levied under the two largest Canadian "basket" items covering chemicals No. 711 and No. 220A (I).

About 40% of all Canadian Chemical imports pay rates higher than 15%, the industry committee says.

P.E.I. to Get New Body To Encourage Industry?

From Our Own Correspondent

CHARLOTTETOWN — Creation of a crown corporation to aid industrial development is likely to come before the 1961 session of the Prince Edward Island legislature.

It will open Feb. 9.

A study is being made of **Industrial Estates Ltd.,** set up three years ago to bring secondary industry to Nova Scotia and help finance expansion within the province (**FP,** Dec. 3/60).

With 85% of its 2,184 sq. mi. under cultivation, P.E.I. is primarily an agricultural province. Fishing is the second largest industry.

Manufacturing production is less than $30 million a year. Because of transportation difficulties, it is likely a crown corporation would be concerned mainly with establishing small plants to serve the island market, confining "export interests" to food processing.

The administration says it will complete implementation during the session of all promises it made in the 1959 election campaign. This means extension of rural telephone services and electoral reforms will be considered.

Perhaps there will be a redistribution of seats to achieve greater urban and rural equality of representation.

Other items:

- **Expansion** of co-operative housing.

Last year the government authorized a pilot co-operative housing project in Souris. Since then, 10 additional groups have sought permission to launch similar programs.

- **Legislation** to set aside beach property as public recreation areas.

Most responsible government leaders feel the government is lagging in this respect.

- **Legislation** to allow towns and villages to raise taxes for essential services.

Town officials are working on proposals to enable them to collect higher taxes to meet expansion. In 1960, P.E.I. imposed a sales tax (**FP,** July 2/60).

Under way, too, is a drive to raise basic educational requirements for teachers. This matter is about to get a public hearing and educators say they will push for government action.

Tor. Leaseholds Changes Policy On Construction

Toronto Industrial Leaseholds (1957) Ltd. is changing its general and managerial policies.

It will consolidate its activities, with **Webb & Knapp (Canada) Ltd.** assuming a more direct role in development and financial operations of TIL.

It is owned two-thirds by Webb & Knapp, remainder by Alex J. Rubin interests.

Webb & Knapp is moving out of construction done for it by TIL, turning it over to Rubin. He will set up his own development company, **Realty Leaseholds Ltd.,** which will be responsible for completing, under contract, many of the current construction projects of TIL.

New company also will be active in building and development on its own across the country.

TIL management will comprise Wm. Zeckendorf Jr. as president and chief executive officer, A. Gary Fieger as executive vice-president and general manager in charge of operations, and Rubin as chairman.

They will hold same offices in **Flemingdon Park Developments Ltd.,** an integrated community project in North York, Metro Toronto, initiated by Rubin.

Progress and expansion go together . . . and this year more Canadian companies than ever will be moving to new premises. Brightened with window frames and other components made from Atlas Stainless Steel, many new office buildings have an efficient beauty that will last for generations. Regardless of weather, traffic and soot, they will look new for decades. And inside too, wherever lasting beauty and a minimum of maintenance are required, stainless steel has been specified. Look at Canada's booming construction industry; you find progress, and you see stainless steel at work.

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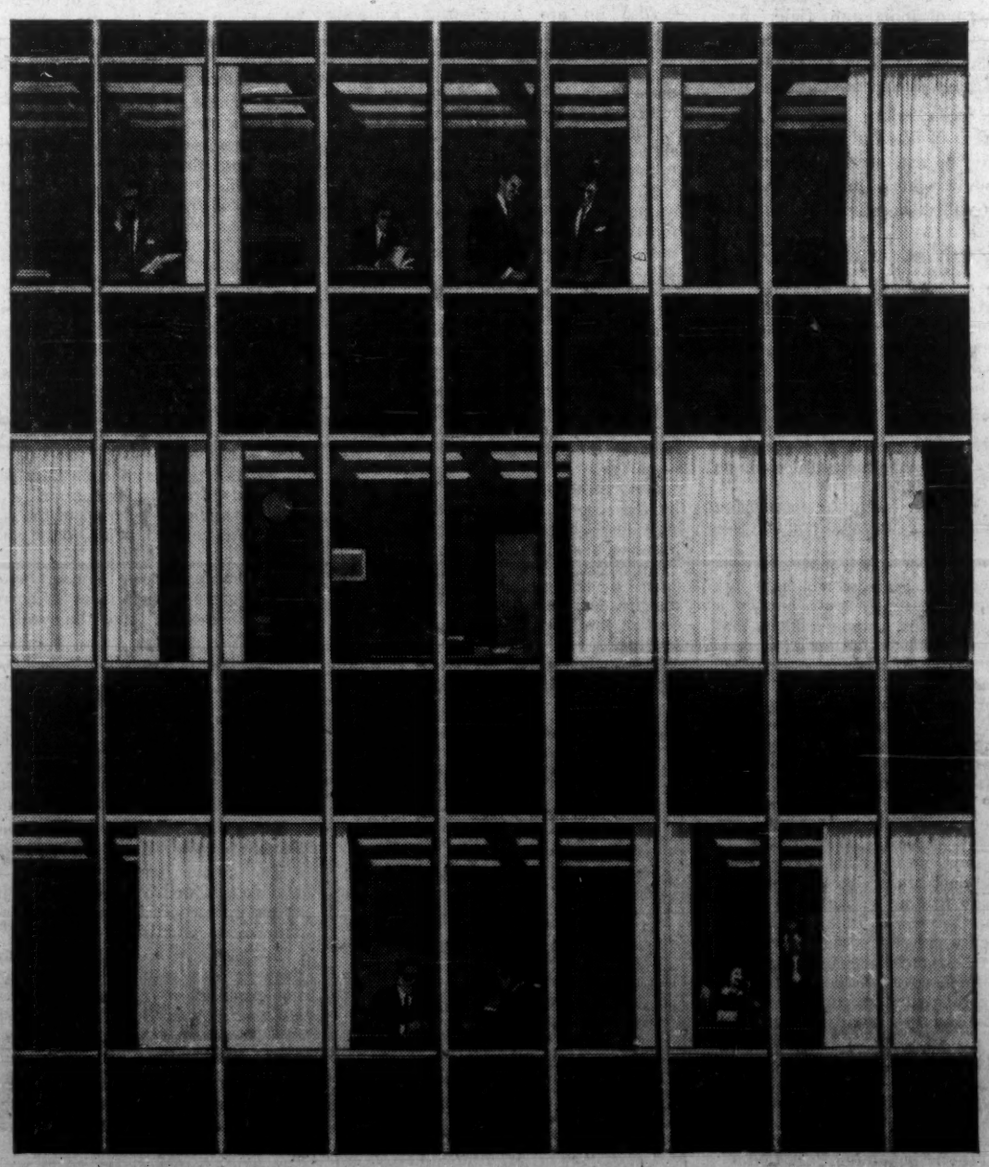
Look at Progress . . . and you see Stainless Steel



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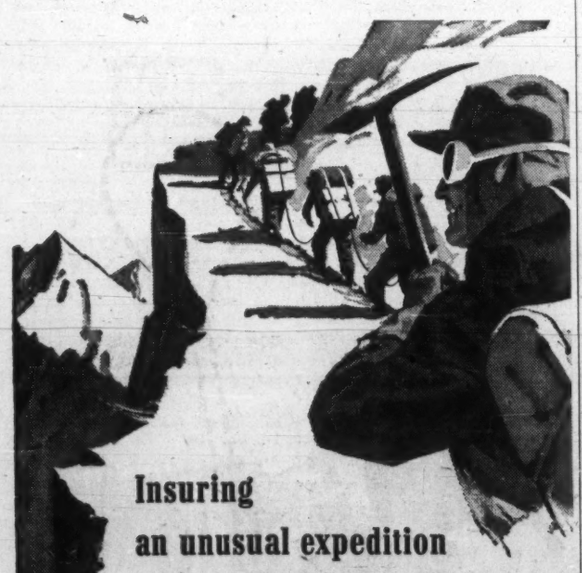
ANNOUNCEMENT

MARTIN-SENOUR EXECUTIVE CHANGES

H. C. CULLEY J. H. W. LAWRENCE

Sidney Ling, Managing Director of The Sherwin-Williams Company of Canada, Limited announces the retirement of Mr. H. C. Culley of The Martin-Senour Company, Limited, after thirty-six years of service. Starting in 1924 as a sales representative, Mr. Culley was promoted progressively to the office of Vice-President and General Manager, which office he held for fourteen years.

J. H. W. Lawrence will succeed Mr. Culley as Vice-President and General Manager. Mr. Lawrence, prior to his new appointment, was General Sales Manager. He brings to his new post a background of experience in merchandising, sales and executive management. His headquarters will be located in Montreal.



Insuring an unusual expedition to the roof of the world

Difficulties imposed by nature as well as the possibility of attack by hostile bandits prove no barrier to man's quest for scientific knowledge. Even now an expedition is encamped in the Himalayan Mountains, seeking altitude survival information and searching for "Yeti," the fabled Abominable Snowman of Nepal.

The unusual conditions and hazardous nature of this exploration posed difficult questions of protection for the expedition's American sponsor for whom all risk insurance coverage on scientific equipment was arranged by Marsh & McLennan.

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Company Reports

Automotive

S.K.D. MANUFACTURING CO., Amherstburg, net profit for year to Sept. 30/60 was $16,164, down 76.9%.

Increased competition and cost-price squeeze reduced profits although sales were slightly higher.

Sales already booked for /61 are down about 10% from /60, due partly to car-truck imports from Europe and intensified competition, President Gordon J. Knight says. Satisfactory profit level in fiscal /61 will be difficult to attain.

Capital expenditures were $198,300; for /61 they are not expected to exceed $50,000.

A folding steel door product is being sold to building industry. Other new products are being sought.

INCOME ACCOUNT

Year Ended Sept. 30:	1960	1959
Net oper. inc.	$214,531	$316,635
Less: Loss sale f.a.	1,309	3,142
Net earnings	213,222	313,493
Less: Deprec.	133,976	113,173
Debt interest	40,282	41,982
Amort. bd. disc.	3,300	2,627
Inc. tax res.	19,500	83,700
Net profit	16,164	70,011
Less: Divds.	27,788	28,095
Surplus for year	*11,624	41,916

*Deficit.

Earnings per Share and Dividend Record:		
6% Pref.: Earned	$0.55	$2.37
Paid	0.60	0.60
6¼% Pref.: Earn.†	d0.20	6.49
Earned‡	....	1.44
Paid	1.25	1.25
Com.: Earned‡	....	0.19
None paid.		

†Before (1after) participation.

Shares o/s as at Sept. 30:		
6% Pref., $10 par	29,575	29,575
6¼% Pref., $20 par	8,034	8,034
Common, n.p.v.	214,600	214,600

BALANCE SHEET — MAIN ITEMS

As at Sept. 30:	1960	1959
Cash & govt. bds.	$26,702	$83,730
Inventories	401,165	453,531
Total curr. assets	725,576	804,793
Fixed assets▲	883,957	847,003
Total assets	1,681,608	1,727,171
Bk. loans secured	180,000	30,000
Total curr. liabs.	379,453	386,192
Funded debt	703,755	730,855
Capital stock	477,890	477,890
Earned surplus	94,650	108,887
▲After deprec of	672,756	589,890
Working capital	346,123	418,601

Financial

MONTROSE INVESTMENT CO., Winnipeg, net profit for year to Oct. 31/60 was $20,759, up 7.4%.

Directors for several years have tried to keep profit before income taxes at about $25,000 to benefit from lower tax bracket, President E. R. P. Nesbitt says. This is main reason for recent reduction in borrowing and in gross assets. Board may reconsider situation in view of "baby budget" tax changes (lower bracket raised to $35,000).

As at Oct. 31:	1960	1959
Liabs. to public, etc.*	$436,308	$497,139
Unearned income	74,681	82,896
Shareholders' equity	102,494	87,974
*Secured by:		
Mtges. & als. agree.	612,072	665,683
Liquid assets	1,411	2,326
Total	613,483	668,009
Net profit	20,759	19,334
Earned per Share	$3.98	$3.86
Paid	1.75	1.75

Oil

PRAIRIE OIL ROYALTIES tripled profits in year to June 30/60, earning $154,584 (9c per share) compared with previous year's $43,778 (3c).

Improved marketing conditions in Midale and Weyburn fields where Prairie has large royalty interests accounted for part of the income rise, President John B. Aird says.

Company completed 42 oil wells and one gas well, 37 in the Midale-Weyburn area. Crude production at year's end was 33% higher than at beginning and now is about 470 bbl. pe day average.

Prairie entered long-term Arctic Islands exploration program by filing on permits totaling 531,500 acres.

CONDENSED INCOME ACCOUNT

Years Ended June 30:	1960	1959
Royalty income	$255,109	$145,228
Add: other inc.	4,663	....
Less: Gen. exp.	64,529	88,664
Lease rentals	51,178	255
Depletion	18,878	12,531
Inc. tax	3,600	....
Unprod. prop.	17,013	....
Add: Sale of leases	30,010	....
Net prof. & surp.	154,584	43,778
Earned per share	$0.09	$0.03
None paid.		
Shares o/s as at June 30:		
Common, $1 par	1,812,775	1,612,775

BALANCE SHEET—MAIN ITEMS

As at June 30:	1960	1959
Total curr. assets	$81,567	$14,973
Inv. B.C. Oil Lands*	813,281	568,131
Producing prop.▲	126,562	180,488
Nonprod. prop.	1,648,255	1,185,214
Total assets	2,669,665	1,947,906
Due bank	92,203	154,391
Total curr. liabs.	184,624	197,890
Capital stock	1,812,775	1,612,775
Contrib. surplus	400,684	120,684
Earned surplus	271,582	16,557
*Mkt. value	2,250,842	1,972,952
▲After depl of	64,150	66,831
Working capital‡	103,057	183,817

‡Excess of curr. liab. over curr. assets.

CANADIAN CHIEFTAIN PETROLEUMS net loss for year to June 30/60 was $92,080 ($100,947 previous year) bringing deficit to $436,112.

Production income was $235,652 ($140,241). Of former amount, gas revenue was $110,574 and company estimates net gas revenue will be $113,000 for next year.

Recently Chieftain marketed first gas from Cessford, Alta., field. Initial contract sales rate is expected to produce gross revenue of about $68,500 per year. A second contract under negotiation would increase gross revenue from this area to about $144,000, company says.

CONDENSED INCOME ACCOUNT

Years Ended June 30:	1960	1959
Net prod. income	$86,983	$24,926
Add: Royalties	1,306	1,265
Other inc.	1,706	20,000
Less: Gen. exps.	68,805	59,409
Interest	17,174	....
Lease rentals	....	15,073
Depr., depl., amort.	46,637	31,279
Prop. aband.	49,295	38,347
Loss sale sec.	364	3,030
Net loss	92,080	100,947
Shares o/s as at June 30:		
Common, n.p.v.	2,300,656	2,200,656

BALANCE SHEET — MAIN ITEMS

As at June 30:	1960	1959
Cash & sec.	$35,203	$240,278
Total curr. assets	118,321	341,226
Investments	209,260	209,260
Lands & wells†	638,067	678,422
Producing wells ▲	381,280	236,401
Fixed assets‡	432,896	14,652
Total assets	1,780,556	1,480,880
Due bank	133,715	70,000
Total curr. liabs.	332,415	167,694
Long term debt	222,374	180,000
Capital stock	1,633,808	1,483,808
Deficit	389,071	344,032
‡After deprec. of	11,914	5,635
‡After depl.	19,251	15,380
▲After amort., depr.	107,756	71,269
Working capital	e204,094	173,622

eExcess of curr. liab. over curr. assets.

TECK-HUGHES GOLD MINES net profit was $335,686 (7c share) for nine months to Sept. 30/60. Company changed fiscal year end.

For 12 months to Dec. 31/59, Teck-Hughes had net of $524,870 (11c).

Chairman N. B. Keevil says a program to simplify holdings of the Keevil group will see **Lamaque Gold Mines'** holdings of **Howey Consolidated Mines** transferred to Teck-Hughes.

Direct control of Howey will then rest with Teck-Hughes. Lamaque will assume control of the junior operating companies.

Company has bought 500,000 shares to control **Rocdor Mines** which has claims south of Lamaque. Mining rights have also been acquired to **Kirkland Minerals Corp.** property.

INCOME ACCOUNT

	9 mos. ended Sept. 30 1960	Year ended Dec. 31 1959
Bullion prod.	$770,043	$846,873
Add: Lamaque divds.	243,400	486,200
Cost-aid assist.	134,600	223,236
Invest. inc.	35,967	43,109
Less: Oper. exps.	848,324	1,074,252
Deprec.	....	376
Net profit*	335,686	524,870
Less: Dividends	242,107	480,714
Surplus for year	93,579	44,156
*Before outside exploration which co. deducts from surplus.	expense	expense
Earned per Share	$0.07	$0.11
Paid	0.10	0.10
Shares o/s:		
Common, $1 par	4,842,144	4,807,144

BALANCE SHEET—MAIN ITEMS

As at:	Sept. 30 1960	Dec. 31 1959
Cash, bonds, etc.	$530,027	$649,055
Mkt. secs.†	755,728	736,076
Total curr. assets	1,523,652	1,624,481
Lamaque G.M.▲	2,626,196	2,596,826
Other invests.▲	1,978,200	1,765,339
Mining props.	4,534,937	4,534,937
Plant & equip.*	6,913	8,619
Total assets	10,671,808	10,532,202
Total curr. liab.	91,789	108,575
Capital stock	4,842,144	4,807,144
Surplus	5,716,965	5,616,483
†Market value	952,700	1,047,027
‡Market value	7,934,875	7,541,060
▲Market value	1,539,300	1,450,050
*After deprec. of	2,085,731	2,085,534
Working capital	1,431,863	1,515,[illegible]

OPERATING STATISTICS

	9 mos. ended Sept. 30 1960	Year ended Dec. 31 1959
Tons milled	143,025	184,170
Average recovery	$5.38	$4.60
Ore reserves, tons	103,803	169,227
Grade ($35 gold)	$10.19	$10.64

Paints

INTERNATIONAL PAINTS (CANADA) LTD., Montreal, consolidated net profit was $129,293 for year to Sept. 30/60, down 26.4%.

Sales volume was well maintained but some business was at low profit margin due to severe price competition, Chairman F. M. Ross says.

New Regina plant, opened Oct. 13, is now in production.

Capital expenditures were $185,946.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1960	1959
Net earnings	$393,945	$395,603
Less: Deprec.	68,517	67,606
Interest	9,135	175
Inc tax	99,000	152,265
Net profit	129,293	175,557
Less: Pref. divd	59,990	59,991
Surplus for year	69,303	115,566

Earnings per Share and Dividend Record:		
Preferred†	$2.59	$2.51
Preferred‡	2.09	2.68
Paid*	1.20	1.20
Common‡	0.89	1.48
None paid.		

*Includes 60c in respect of prior year.
†Before (1after) participation.

Shares o/s at Sept. 30:		
6% Pref., $20 par	50,000	50,000
Class A, n.p.v.	20,860	20,860
Class B, n.p.v.	7,140	7,140

CONS. BALANCE SHEET—MAIN ITEMS

As at Sept. 30:	1960	1959
Cash	$30,418	$45,837
Inventories	1,322,921	1,258,923
Total curr. assets	2,702,898	2,666,237
Fixed assets*	1,053,423	935,993
Total assets	3,820,298	3,542,230
Bank loan	450,000	435,000
Total curr. liab.	956,240	1,036,595
Reserve	564,344	564,344
6% Loans	289,120	....
Capital stock	1,000,000	1,000,000
Earned surplus	978,594	909,291
*After depr. of	1,269,899	1,206,989
Working capital	1,746,566	1,569,642

Wire and Cable

STANDARD WIRE & CABLE LTD., Toronto, had consolidated net loss of $749,926 for year to May 31/60. Deficit was $688,583 at May 31, from a $61,343 surplus at beginning of fiscal year.

Slack business in construction industry, bad spring weather, high production costs, and intense price competition contributed to the loss, Chairman Milton Unger says in company's first formal annual report.

Company last summer was faced with number of overdue accounts payable to suppliers. Principal creditors have now agreed to gradual liquidations of overdue accounts. Company also was committed to lease a new office and plant building, already under construction, involving about $2,162,500 rent over 25-year period. Company decided against moving in and arranged settlement of less than $125,000 maximum liability over six-year period.

Superfluous staff has been eliminated, production techniques reorganized and more efficient use made of plant space facilities in efforts to place operations on profitable basis, Unger says.

Wholly-owned **Beautylink Fence & Wire Ltd.** has arranged for distribution of its plastic-coated wire chain link fence with **Colorado Fuel & Iron Corp.,** Denver, in 15 states west of Mississippi River. Product also is being shipped to other U.S. areas and higher sales are anticipated this spring.

Consolidated balance sheet at May 31 showed current assets of $708,837 against $1,104,544 current liabilities. In addition, mortgages totaled $177,937, loans payable were $152,950.

Iron and Steel

MacKINNON STRUCTURAL STEEL CO., Sherbrooke, net profit for year to July 31/60 was $7,039 ($42,628 net loss in /59).

While revenue from contracts decreased 22%, their costs decreased 30%, President F. C. McDougall says.

Capital expenditures were $76,067 ($18,851) for machinery and equipment.

Company in fiscal /60 purchased and cancelled 555 preference shares at $53,105 cost, leaving 883 outstanding.

INCOME ACCOUNT

Years Ended July 31:	1960	1959
Oper. profit	$15,983	$50,418
Add: Other inc.	12,359	7,395
Net earnings	28,342	43,023
Less: Deprec.	20,653	23,605
Taxes	650	24,000
Net profit	7,039	42,628
Less: Pref. divds.	5,971	7,243
Surplus for year	1,068	49,871

‡Loss or deficit. †Recovery.

Earnings per Share and Dividend Record:		
Preferred	$7.97	d$29.64
Paid	5.00	5.00
Common†	0.01	d0.64
None paid.		

†Before deducting appropriation for pref. stk. r.f. reserve.

Shares o/s at July 31:		
5% Pref., $100 par	883	1,438
Common, n.p.v.	77,500	77,500

BALANCE SHEET—MAIN ITEMS

As at July 31:	1960	1959
Cash & govt. bds.	$245,986	$184,688
Inventories	521,932	592,535
Total curr. assets	884,322	1,074,184
Fixed assets*	342,553	287,126
Total assets	1,231,983	1,368,722
Due bank	....	65,634
Total curr. liab.	106,999	192,700
Capital stock	227,800	283,300
Capital surplus	268,000	212,500
Earned surplus	614,530	613,130
*After deprec.	443,539	423,186
Working capital	777,323	881,484

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Mining

TEMAGAMI MINING CO. reports net profit of $67,303 for year to June 30/60.

Expenditures prior to June 30/59, less income from sale of development ore, have been treated as deferred expenses and are now being amortized.

Temagami's ore research program has been intensified, President N. B. Keevil says. A new orebody, the No. 11 zone, has been discovered above the lower level. Copper assays 15.3% over 2.8 ft. and 8.9% over 7.5 ft. in two holes intersecting this zone.

Other drilling is establishing grade of ore adjacent to existing copper pods in the mine area. Deep drilling is being done below the 825-ft. level to test for extension of mineralized zones. Favorable formations are indicated at depth, the president says.

Company expects milling costs to be reduced and capacity increased as result of installation of a cone crusher.

INCOME ACCOUNT

Year Ended June 30:	1960
Production income	$2,095,683
Add: Other income	11,819
Less: Mktg. exps.	505,317
Oper. exps.	1,043,969
Gen. & admin. exps.	90,068
Loss sale f.a.	4,845
Operating profit	463,303
Less: Depreciation	187,000
Amort. def. expend.	209,000
Net profit	67,303

Note—Expenditures prior to June 30, 1959, less income, have been treated as deferred expenditure and are now being amortized.

Shares o/s at June 30:	
Common, $1 par	2,990,267

BALANCE SHEET—MAIN ITEMS

As at June 30:	1960	1959
Cash	$34,778	....
Ore settlements	574,497	$451,522
Total curr. assets	754,453	601,878
Bldgs. & equip.*	648,418	786,869
Mining claims	658,540	658,540
Deferred expend.▲	1,185,298	1,600,291
Total assets	3,296,670	3,764,545
Bank loan, etc.	275,000	754,786
Total curr. liabs.	476,382	953,360
Capital stock	2,752,985	2,731,185
Earned surplus	67,303	....
*After deprec. of	611,087	424,087
▲After amort. of	209,000	....
Working capital	278,071	$351,482

‡Excess of curr. liabs. over curr. assets.

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ANNOUNCEMENT

CANADA PERMANENT APPOINTMENT

W. C. WHITESIDE

The Canada Permanent Trust Company announces the appointment of Mr. W. C. Whiteside as Pension Officer with headquarters in Toronto.

Mr. Whiteside has wide experience in the pension field and is well qualified to advise on the establishment of Pension Plans and other Employee Welfare Programmes.

EXCLUSIVE DISTRIBUTOR

Westinghouse Electric International Co. has appointed **Liquid Carbonic Canadian Corp.**, Montreal, as exclusive distributor of the Westinghouse line of electric welding equipment. Liquid Carbonic, with 18 plants and sales offices across Canada, is a major supplier of compressed gases and welding supplies.

Company Reports

Mining

O'BRIEN GOLD MINES reports $55,936 net loss in year to Sept. 30/60 ($13,462 loss previous year).

Revenue drop of $53,386 was due largely to changed status of participation in petroleum developments through **Alminex Ltd.**

Company holds 42% of issued stock of **Atlantic Coast Copper** which plans to start production at the Newfoundland property in March/61. O'Brien manages project and is guarantor on financing of $475,000. This portion of development financing, secured jointly with **Lanson Holdings**, carries an option to acquire remaining 475,000 unissued shares of Atlantic Coast.

O'Brien has reduced holdings in **H. G. Young Mines** to 2,000 shares, after selling 25,500 shares at profit, still holds an option to buy additional 50,000 shares.

INCOME ACCOUNT

Years Ended Sept. 30:	1960	1959
Bullion rev.	$554	$22,595
Oil & gas partic.	.....	24,387
Divds. & int.	22,911	32,582
Prof. sale sec.	3,213	80,064
Total income	26,678	10,518
Less: Oper. costs	1,506	43,710
Admin., etc., exp.	43,293	39,298
Outside expl.	37,815	13,467
Net loss	55,936	
Shares o/s at Sept. 30:		
Common, $1 par	3,381,569	3,381,569

BALANCE SHEET—MAIN ITEMS

As at Sept. 30:	1960	1959
Cash, bills, etc.	$12,298	$157,440
Invest. & int.▲	504,023	512,454
Total curr. assets	522,257	672,410
Shs., Alminex†	759,133	759,133
Shs., Alt. Coast‡	774,255	724,105
Prop. & equip.	1,385,124	1,390,969
Total assets	3,441,518	3,562,627
Total curr. liabs.	4,846	77,220
Capital stock	3,131,569	3,131,569
Surplus	305,103	353,838
▲Mkt. value†	453,762	427,915
†Mkt. value	1,180,608	2,094,628
‡Mkt. value	1,976,408	2,450,004
Working capital	517,411	595,190

SPOONER MINES & OILS lower net profit for year ending June 30, at $9,874 from $10,464 in 1959, is attributed to higher production costs and smaller sales volume of crude and natural gas.

Company has added to its interests in Saskatchewan and Alberta producing wells a 20% working interest in helium permits in southwestern Saskatchewan. It also holds a 10% participation in Arctic oil acreage managed by **Dominion Explorers Ltd.** No additional funds will be required for two years to maintain these interests, president V. N. Harbinson says.

Spooner holds mining claims in Nova Scotia, also has holdings in **Sarcee Petroleums** and **Place Gas & Oils.**

INCOME ACCOUNT

Years Ended June 30:	1960	1959
Total revenue	$92,630	$102,292
Less: Oper. exps., etc.	74,247	80,680
Depreciation	7,987	10,276
Depl. of roy.	542	872
Profit & surp.	9,854	10,464

BALANCE SHEET—MAIN ITEMS

As at June 30:	1960	1959
Cash & sec.†	$571,134	$592,194
Total curr. assets	602,491	619,948
Investments	80,391	101,618
Leases & devel.‡	420,018	324,100
Equipment	18,604	23,988
Total assets	1,121,508	1,069,654
Bank loan	730	
Total curr. liabs.	17,633	8,274
Capital stock	1,516,680	1,446,680
Less: Deficit	412,805	385,300
†Market value	212,923	411,155
‡After deprec. of	106,331	98,772
§Less provision for amort. of $86,241.		
Working capital	584,858	611,674

Transportation

DETROIT & CANADA TUNNEL CORP., Detroit, consolidated net profit for year to Oct. 31/60, was $726,396, up 18.7%.

Vehicles paying toll through the tunnel rose 11.7% to 3,452,212. Bus passengers decreased 2.4% to 3,523,432 while extra passengers carried in all vehicles increased 10.7% to 3,649,008, says President W. S. Burton.

Tunnel bus fares were increased (effective Oct. 24/60) to 20c single one-way fare with five tokens for 90c. Corporation's original request was 20c one-way with no tokens.

CONS. INCOME ACCOUNT

Years Ended Oct. 31:	1960	1959
Net earnings	$1,517,774	$1,282,487
Less:		
Deprec. & amort.	168,538	171,119
Interest	27,840	34,183
Income tax	395,000	465,000
Net profit	726,396	612,185
Less: Com. divd.	722,130	722,130
Surplus for year	4,266	*109,945
*Deficit.		
Earnings per Share and Dividend Record:		
Common	$1.01	$0.85
Paid	1.00	1.00
Shares o/s at Oct. 31:		
Common, $5 part	722,191	722,191
‡Excluding 71,356 shs. in treasury.		

CONS. BALANCE SHEET—MAIN ITEMS

As at Oct. 31:	1960	1959
Cash	$289,166	$214,570
Total curr. assets	556,545	460,475
Munic. bonds	1,266,430	1,267,627
Fixed assets	7,203,813	7,204,475
Total assets	9,026,788	8,932,577
Total curr. liab.	693,886	590,069
Bank note pay.	303,984	478,984
Depr. & amort. res.	3,737,354	3,576,226
Capital stock	2,979,225	2,979,225
Capital surplus	838,034	838,034
Earned surplus	644,285	640,019
Working capital	137,341	129,594
▪Excess of curr. liab. over curr. assets.		

Textiles

BILTMORE HATS LTD., Guelph, consolidated net profit for year to Oct. 31/60 was $74,209, down 6.9%.

"Sales have held up very well in face of unseasonal weather," President N. McMillan says. Company has become major supplier of men's straw hats in Canada, he says.

Inventories decreased by $193,885. Company intends to keep them at lowest possible level. Customer accounts are higher, with more accounts taking extra time.

Capital expenditures were $31,516.

CONSOL. INCOME ACCOUNT

Years Ended Oct. 31:	1960	1959
Net earnings	$190,835	$208,290
Less: Depr.	41,008	40,807
Debenture int.	8,518	10,324
Income tax res.	67,100	77,400
Net profit	74,209	79,669
Less: Cl. A divds.	40,000	40,000
Com. divds.	16,000	16,000
Surplus for year	18,209	23,669
Earnings per Share and Dividend Record:		
Class A	$1.86	$1.99
Paid	1.00	1.00
Common	0.86	0.99
Paid	0.40	0.40
Shares o/s as at Oct. 31:		
Class A, n.p.v.	40,000	40,000
Common, n.p.v.	40,000	40,000

CONS. BALANCE SHEET—MAIN ITEMS

As at Oct. 31:	1960	1959
Cash	$4,137	$9,477
Inventories	391,563	785,448
Total curr. assets	1,306,097	1,408,103
Fixed assets*	391,548	401,176
Total assets	1,733,545	1,844,281
Bankers' adv.	139,529	277,232
Total curr. liab.	583,566	673,011
Mtge. bonds pay.	150,000	187,500
Capital stock	85,475	85,475
Surplus	916,504	898,295
*After depr. of	653,832	612,866
Working capital	725,431	735,094

Note—Customers' paper under discount $245,488 and letters of credit o/s $26,966 at Oct. 31, 1960.

HARDING CARPETS LTD., Brantford, net profit for year to Oct. 31/60 was $433,671, down 33.5%.

Yardage and dollar volume set company record, although sales did not reach expected levels, President C. M. Harding says. Lower profit was caused by lower margins and absence of non-recurring profits which contributed to /59 results.

Carpet marketing will receive greatest attention in /61, he says.

Capital expenditures in fiscal /60 of $550,550 included substantial building addition and more spinning equipment for carpet yarn making at Guelph, major office-showroom space expansion in Brantford. Fiscal /61 outlays will be under $400,000, including 18,000-sq.-ft. plant addition for a carpet piece dyeing operation.

INCOME ACCOUNT

Years Ended Oct. 31:	1960	1959
Net earnings	$1,172,956	$1,695,535
Less: Depreciation	230,085	222,619
Int. on deb.	61,200	63,975
Prov. for taxes	448,000	667,000
Net profit	433,671	639,291
Less: Dividends	174,775	120,350
Surplus for year	258,896	531,941
Earnings per Share and Dividend Record:		
Common	$1.73	$2.63
Paid	0.70	0.50
Shares o/s at Oct. 31:		
Common, n.p.v.	250,000	247,704

CONDENSED BALANCE SHEET

As at Oct. 31:	1960	1959
Cash & invest.	$285,537	$1,118,167
Inventories	3,852,301	3,745,537
Total curr. assets	4,319,402	5,231,296
Invest. & acc. cos.	490,275	306,655
Fixed assets*	2,003,873	1,684,678
Total assets	7,122,447	7,258,489
Total curr. liab.	977,273	1,307,421
Funded debt	1,100,000	1,320,000
Capital stock	1,198,810	1,183,599
Capital surplus	248,237	248,237
Earned surplus	3,598,128	3,339,232
*After depr. of	3,033,809	2,811,127
Working capital	3,342,130	3,923,849

Financial

INVESTORS MUTUAL OF CANADA LTD., Winnipeg, net income for year to Oct. 31/60 was $6,850,611, up 30.6%.

Net assets rose 6.6% to $201,046,500. Net asset value per share declined 2.5% to $10.62 on 18,930,787 outstanding shares ($10.89 and 17,326,042 year previous).

Number of shareholders increased by 1,142 to 45,409.

Common stocks at Oct. 31/60 comprised 62.8% of portfolio (72.2% in fiscal /59); preferred stocks 13.3% (11.8%); bonds 23.1% (14.9%); cash, etc., 0.8% (1.1%). Interest was held in 104 companies in 20 different industries at /60 fiscal year end. Market value of securities exceeded cost by almost $25.5 million.

In fiscal /60 fund sold $14 million equity-type securities; re-invested $9 million in other equities. Remaining $5 million, and $14 million in new money, were invested in "high-quality, fixed-income securities which provided an enhanced current rate of return and moderate capital gain potential," President T. O. Peterson says.

INCOME ACCOUNT

Years Ended Oct. 31:	1960	1959
Divds. & int.	$8,406,202	$6,489,225
Less: Gen. Exp.	1,058,895	1,006,455
Taxes	496,696	236,684
Net income	6,850,611	5,246,086
Add: Pd.-in surp.	91,449	119,352
Avail. for divds.	6,942,060	5,365,438
Less: Dividends	6,636,909	5,438,944
Add: Prof. sale inv.	2,299,156	1,211,651
Surplus fwd.	2,604,367	1,138,145
Earnings per Share and Dividend Record:		
Special & common:		
Earned	$0.38	$0.33
Paid	0.36	0.33
*Based on number of shares outstanding as calculated from dividends paid.		
Shares o/s at Oct. 31:		
Common, $1 par	1,000	1,000
Special, $1 par	18,929,787	17,325,042

BALANCE SHEET — MAIN ITEMS

As at Oct. 31:	1960	1959
Cash & rec.	$3,891,907	$8,275,100
Invest., mkt.†	199,446,233	186,589,891
Total assets	203,338,140	194,864,991
Tot. curr. liabs.	2,291,640	6,233,941
Prem. on shares	149,432,749	133,917,224
Capital stock	18,930,787	17,326,042
Surplus	7,211,500	4,607,202
Unreal. apprec. invests.	25,471,455	32,780,582
†Cost	173,974,778	153,809,309
Net assets per sh.	10.62	10.89

FISH

OCEAN FISHERIES LTD., Halifax, consolidated net profit for year to Aug. 31/60 was $314,235, down 50.7%. Profit for fiscal /60 was approximately $167,000 higher than it would have been had supply inventory been valued on same basis as in fiscal /59.

Better results are expected for fiscal /61, company says.

Fiscal /60 was least profitable in company's history. Reasons included big increase in world fish meal supply, lower prices, higher costs, and premium on Canadian dollar.

There was a loss on fish processing despite a record fish catch. Sales and other income declined 7.5% to $21.4 million.

Capital expenditures ($311,498) were kept to a minimum.

Louisburg plant production is to be stepped up. A much larger plant is under study at Lunenburg.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1960	1959
Net oper. inc.	$1,509,107	$2,171,652
Add: Prof. sale f.a.	7,716	7,050
Net earnings	1,516,823	2,178,702
Less: Deprec.	769,458	730,560
Funded debt int.	135,931	131,358
Income taxes	294,716	667,467
Minority int.	2,453	12,537
Net profit	314,235	636,780
Less: Pref. divds.	106,116	101,991
Common divds.	138,112	125,203
Surplus for year	70,007	409,586
Times Interest Earned:		
Before deprec.	11.16	16.59
After deprec.	5.50	11.02
Earnings per Share and Dividend Record:		
Preferred	$0.81	$1.65
Paid	0.275	0.275
Common	0.45	1.16
Paid	0.30	0.30
Shares o/s at Aug. 31:		
5½% Pref., $5 par	385,875	385,875
Common, n.p.v.	460,375	460,375

CONS. BALANCE SHEET—MAIN ITEMS

As at Aug. 31:	1960	1959
Cash	$163,466	$127,953
Inventories	4,158,837	3,681,067
Total curr. assets	6,605,253	5,942,328
Investments	248,451	265,451
Fixed assets▲	4,650,228	5,168,094
Total assets	11,539,706	11,429,566
Due bank	1,474,040	404,786
Total curr. liabs.	3,354,025	2,906,833
Funded debt	2,331,140	2,997,928
Minority interest	24,639	25,186
Capital stock	2,906,125	2,906,125
Capital surplus	34,452	119,440
Earned surplus	2,659,324	2,474,849
▲After deprec. of	7,633,953	6,885,461
Working capital	3,251,228	3,036,295

BEVERAGES

CRUSH INTERNATIONAL LTD., Toronto, consolidated net profit for year to Nov. 2/60 was $191,633, down 50.5%.

Both domestic and foreign sales increased. Volume in U. S. set a new high, President J. M. Thompson says. Franchised bottler organization in U. S. and Canada was enlarged, 17 new operations being launched. Foreign operations, except in Cuba, continued to strengthen. A representative was appointed for U. K. and Europe.

Substantially higher advertising and promotion expenditures and an eight-month strike at Vancouver plant affected /60 earnings. Vancouver operation was put on franchise basis after the strike ended.

Toronto production facilities were enlarged. Montreal expansion-modernization project may be completed in /61.

CONS. INCOME ACCOUNT

Years Ended:	1960 Nov. 2	1959 Oct. 28
Net oper. inc.	$730,363	$866,771
Add: Prof. sale f.a.	45,833	17,456
Net earnings	724,530	878,227
Less: Depr. & w/o	284,180	251,090
Interest	88,327	94,629
Inc. tax*	126,975	116,495
Minority int.	33,415	27,156
Net profit	191,633	386,861
Less: Pref. divds.	42,750	
Com. divds.	92,616	
Surplus for year	56,267	386,861
*After reduction of $91,986 in 1959, on application of losses in prior years.		
▲Loss.		
Times All Interest Earned:		
Before depr. & w/o	8.20	9.28
After depr. & w/o	4.99	6.63
Earnings per Share and Dividend Record:		
Preferred	$19.16	
Paid	4.87½	
Common	0.31	$0.89
Paid	0.20	
Shares o/s:		
6½% Pref., $100 par	10,000	
Common, n.p.v.	465,582	435,582

CONS. BALANCE SHEET—MAIN ITEMS

As at:	Nov. 2 1960	Oct. 28 1959
Cash deps.	$1,432,883	$980,830
Inventories	1,100,775	970,600
Total curr. assets	3,281,529	2,485,511
Containers	1,223,367	1,183,801
Fixed assets*	2,340,112	2,287,645
Total assets	7,029,444	6,167,444
Total curr. liabs.	1,196,520	1,196,541
Funded debt	1,485,608	1,725,061
Minority int.	330,463	340,356
Ref. dep. on cont'r.	493,648	465,612
Capital stock	2,437,505	1,348,005
Earned surplus	1,085,631	1,182,369
*After depr. of	1,787,728	1,721,370
Working capital	2,084,940	1,377,370

Textiles

SCYTHES & CO., Toronto, consolidated net profit for year to Nov. 30/60, was $54,188, down 7.8%.

Total sales increased slightly to $3,807,898, President J. A. Scythes says.

Capital expenditures were $10,201.

CONSOLIDATED INCOME ACCOUNT

Years Ended Nov. 30:	1960	1959
Net earnings	$129,724	$166,410
Less: Deprec.	43,196	49,147
Tax prov.	32,340	58,525
Net profit	54,188	58,738
Less: Pref. div.	11,473	12,875
Com. div.	50,000	50,000
Deficit for year	7,285	4,137
Earnings per Share and Dividend Record:		
Preferred	$6.18	$5.86
Paid	1.25	1.25
Common	0.85	0.92
Paid	1.00	1.00
Shares o/s at Nov. 30:		
5% Pref., $25 par	8,768	10,028
Common n.p.v.	50,000	50,000

BALANCE SHEET — MAIN ITEMS

As at Nov. 30:	1960	1959
Cash & sec.	$100,430	$120,082
Life ins., c.s.v.	159,856	155,165
Inventories	786,339	846,512
Total curr. assets	1,466,993	1,537,677
Fixed assets	452,966	476,013
Total assets	1,945,363	2,025,653
Total curr. liab.	204,027	248,541
Capital stock	321,700	353,200
Capital surplus	274,367	242,867
Earned surplus	1,145,269	1,175,923
*After depr. of	834,267	800,280
Working capital	1,262,966	1,289,136

Transportation

OVERLAND EXPRESS LTD., Woodstock, net profit for year to Oct. 31/60 was $202,498, down 38.4%.

Reduced economic tempo resulted in excess transportation equipment and a rate war.

New head office, garages and warehouses in Woodstock are nearing completion. These should give company competitive advantages, President R. D. Grant says.

INCOME ACCOUNT

Years Ended Oct. 31:	1960	1959
Net earnings	$786,321	$1,021,856
Less: Deprec.	350,337	328,772
Interest	29,222	23,693
Taxes	204,264	340,510
Net profit	202,498	328,881
Less: Divds.	70,641	*120,000
Surplus for year	131,857	208,881
*Paid on old common stock.		
Earnings per Share and Dividend Record:		
Pref. Earned	$1.21	(($1.96)
Paid	0.42	
Common: Earned	0.51	(1.14)
Paid		▲
†Based on new capitalization.		
▲In 1959, $2.00 per share paid on old common stock.		
Shares o/s at Oct. 31:		
60c pref., n.p.v.	167,000	
Common, n.p.v.	200,000	160,000
†Old stock		

BALANCE SHEET—MAIN ITEMS

As at Oct. 31:	1960	1959
Cash	$12,146	$1,110
Accts. rec.	905,532	1,077,566
Total curr. assets	1,859,973	1,186,364
Fixed assets*	1,861,023	1,394,037
Total assets	2,901,612	2,587,902
Bank loan	186,064	289,922
Total curr. liabs.	727,442	851,274
Deferr liabs.	537,282	258,619
Capital stock	60,000	60,000
Earned surplus	1,576,278	1,418,009
*After deprec. of	2,445,510	2,181,956
Working capital	312,531	335,090

ANNOUNCEMENT

ELECTED NESBITT, THOMSON DIRECTORS

L. J. KEATING — N. E. LANE — J. L. MACKEE

Announcement is made of the election to the Board of Directors of Nesbitt, Thomson and Company, Limited of Mr. L. J. Keating, Montreal, Mr. N. E. Lane, Toronto, and Mr. J. L. Mackee, Vancouver. Mr. Keating is Supervisor of the Overseas Department and Director of Provincial and Municipal syndicates; Mr. Lane is Manager for Ontario; and Mr. Mackee Manager for British Columbia.

Oil

NEW DAVIES PETROLEUMS had a net loss of $5,308 for year to June 30, compared with $20,585 loss the previous year.

Company has interests in two Turner Valley wells, part of a unit operated by **Western Decalta Petroleums**, as well as a small interest in Turner Valley unit No. 5.

INCOME ACCOUNT

Years Ended June 30:	1960	1959
Prod'n revenue	$25,827	$21,058
Less: Royalties	7,627	7,152
Add: Other rev.	3,480	2,765
Total net rev.	21,680	16,671
Less: Oper. exps.	26,988	37,256
Net loss	5,308	20,585
Shares o/s at June 30:		
Common, 50c par	2,013,937	2,013,937

BALANCE SHEET—MAIN ITEMS

As at June 30:	1960	1959
Cash	$8,099	$5,018
Accts. rec.		4,314
Total curr. assets	13,380	9,332
Misc. assets		6,176
Investments†	500,600	622,175
Leases wells, etc.	120,087	111,018
Equipment	28,091	27,287
Total assets	668,335	775,960
Loans pay.	11,459	
Total curr. liab.	15,125	11,676
Capital stock	961,989	961,989
Deficit	308,759	197,679
†Mkt. value	121,088	262,535
Working capital	1,745	2,338
▲Excess of curr. liab. over curr. assets.		

AMUREX OIL CO.'s net loss was $157,645 in year to Aug. 31 ($310,695 loss previous year). Crude and gas sales were $881,818, 11% less.

Amurex sold Hatton gas field interests to **Saskatchewan Power Corp.** for $1.9 million, used money to retire bank debt.

Murphy Corp. has 80% voting interest in Amurex.

INCOME ACCOUNT▲

Years Ended Aug. 31:	1960	1959
Total inc.	$884,254	$1,009,723
Less: Oper. exp.	230,526	210,322
Explor exp.	34,403	36,700
Lease rentals	35,676	49,934
Leases surrendered	39,905	306,376
Gen. & adm. exps.	91,847	166,581
Interest	35,723	48,923
Depr., depl., amort.	574,038	632,435
Add: Prof. sale f.a.	219	94,431
Adj. re prior yrs.	.....	36,422
Net loss	157,645	310,695
▲U. S. funds.		
Shares o/s at Aug. 31:		
Class A, $1 par	1,400,000	1,400,000
Class B, 10c par	250,000	250,000

BALANCE SHEET—MAIN ITEMS▲

As at Aug. 31:	1960	1959
Cash	$275,473	$255,013
Total curr. assets	758,054	904,363
Wells, devel., etc.	9,319,336	9,305,717
Fixed assets	285,031	267,196
Less: Depr. & depl.	3,607,988	3,212,950
Total assets	6,904,018	7,490,365
Due bank	240,000	251,475
Total curr. liab.	428,389	485,452
Due bank	140,000	517,269
Capital stock	7,125,000	7,125,000
Paid-in capital	4,408,643	4,408,643
Deficit	5,231,756	5,074,111
▲Expressed in U. S. dollars.		
Working capital	329,665	418,911

Financial

BRITISH MORTGAGE & TRUST CO., Stratford, net profit for year to Oct. 31/60 was a record $204,185, best in company's history. For 10 months to Oct. 31/59 net was $189,671, fiscal period being changed that year.

Rate of earnings has not dropped, President W. H. Gregory says. Earnings account reflects only cash received; there has not yet been time for much of increased assets to yield cash return.

Higher interest rate (6%) attracted more money for investment.

New head office building (in Stratford) should be ready in /62. Branch offices in Listowel and Brampton are expected to commence business in /61.

Years Ended Oct. 31:	1960 $	1959 $
Liabs. to public, etc.*	39,513,516	31,110,494
Mortgages reserve	350,837	270,471
Shareholders' equity	2,924,556	2,853,108
*Secured by:		
Mtges. & sls. agree.	32,026,057	27,655,560
Office premises	159,518	1
Liquid assets*	10,469,740	6,578,512
Real estate	143,594	
Total	42,798,909	34,734,073
*Includes stocks and bonds.		
Estates account	1,916,102	1,489,404
Net profit	204,185	189,671
Earned per Share†	$19.29	$18.11
Paid	8.00+3.00	8.00+3.00
†Based on 10,584 shares in 1960 and 10,475 shares in 1959.		

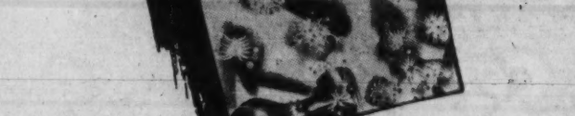
NEW MERGER

Wakefield Lighting Ltd., London, Ont., manufacturer of lighting equipment and luminous ceilings, is now affiliated with **Wakefield Corp.** Canadian firm's present affiliate, **Wakefield Co.**, Vermilion, O., recently announced a proposal to merge with **Abrasive & Metal Products Co.**, Detroit, Mich. Merger provides for diversification of products with assets available for expansion through acquisition of firms in related or other fields. Plan has yet to be approved by the stockholders.

WHY CASTRO'S CUBA IS WRONG ABOUT CANADA by IAN SCLANDERS

Startling but true: The Cubans expect us to run the American blockade for them because they think Canada is as violently hostile to the U. S. as they are. When they learn the truth will they turn against us too?

Sclanders witnessed daily queues of Cubans wanting to leave.



SPACE TRAVEL IS FOR THE BIRDS

Will space travel be available to tourists? And is there anything out there anyway? Here is a frank answer and fair warning from a distinguished earth-bound Canadian scientist.

MY SON, THE AFRICAN

"He is yours, I give him to you," read the note from the deathbed of Dawi's father . . . and so began this strange bond between an African boy and the Canadian who is raising him.

SO MUCH THAT'S NEW . . . *this cover begins a new series by distinguished Canadian artists. Inside, a new back-of-the-book "yellow pages" section with a regular page on entertainment. Buy a copy — notice the improvements!*

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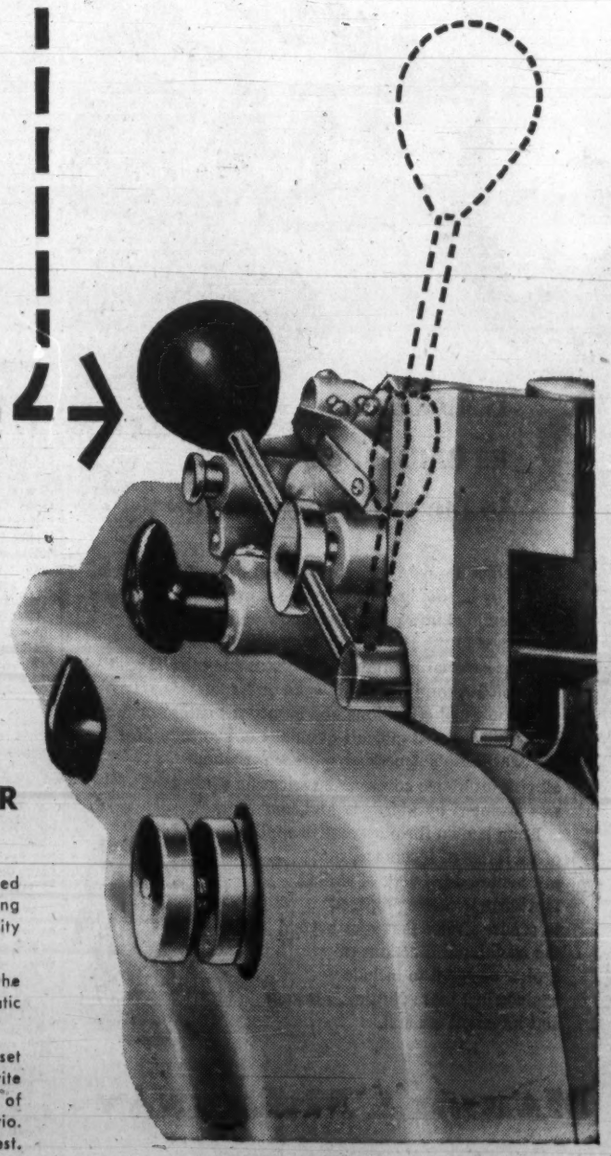

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FOR FURTHER INFORMATION on the new Multilith Offset Model 2550 Duplicator, call the man from A-M or write your nearest A-M office. Addressograph-Multigraph of Canada Limited, 42 Hollinger Rd., Toronto 16, Ontario. Illustrated brochures and complete details upon request.

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TAGGART

BANDI

Their Hopes Ride On Midget 'Brain'

MONTREAL (Staff) — An RCAF officer with an idea, a Montreal engineer who liked it, and a Swiss-born Canadian who backed it with enthusiasm and cash, have come up with a better-mousetrap gadget with which they hope to crack a multi-million-dollar market in the U. S.

The gadget is a tiny mechanical computer, designed and produced in Canada. Known as a "ball resolver", it is used in airborne and ground navigation systems.

The talented little device does the mathematics required to tell a pilot where he is in relation to his take-off point. Or it can be geared to give continuous heading and distance to any predetermined destination.

Maker of the teacup-size "brain" is **Aviation Electric Ltd.,** manufacturer of electronic devices and precision instruments.

The firm was started in a Montreal garage in the early 1930's by Alfred Bandi, a Swiss with boundless optimism about opportunities in Canada. It is now a multi-million dollar corporation, employing 850 in a 154,000-sq. ft. plant.

It was Fred Taggart, then a project engineer and now the company's chief engineer, who picked up the ball-resolver idea five years ago.

The RCAF had become interested in dead-reckoning navigation systems, and the company was shopping about for a device it could engineer and produce itself.

An RCAF officer, convinced the ball-resolver principle could accomplish mechanically a job that has difficulties electronically, offered his pet scheme to Aviation Electric. He found enthusiastic support.

To Taggart fell the job of translating an idea and a lot of theory into a miniaturized navigation instrument capable of operating with previously unheard of accuracy.

This proved to be no easy task.

Taggart and his associates had to wrestle with the twin—and oft incompatible—tasks of reducing size and increasing accuracy. To do this they had to devise special lubricants, new production methods and shop the four corners of the globe for parts and raw materials.

To get a tiny roller that would satisfactorily drive the resolver's ball, the Taggart team unsuccessively tried Canadian, U. S. and European roller makers before ultimately finding what they needed in Sweden.

Painstaking development work led to the present resolver —much smaller and far more accurate than previous versions —which was incorporated into the RCAF's CF-100 R-Theta Long Range Dead Reckoning Navigation System.

This brought Aviation Electric orders for 300 units plus further business from similar navigation systems installed in Belgian CF-100's.

Computing Devices of Canada has incorporated the resolver in its PHI (Position and Homing Indicator) navigation system. It is also used in the highly sophisticated CL-28 ANTAC system.

Ball resolvers have been sold to the Canadian army for development work in vehicle navigation and a few units have been bought by U. S. concerns for experimental purposes.

In all, Aviation Electric has either sold or has firm orders for about 1,500 resolvers worth $500,000.

The new found interest in ball resolvers developing in the U. S. may prove the RCAF and Aviation Electric to be several years ahead of the rest of North America in the navigation field.

The device does its figuring without reference to any "outside" navigational aids, such as radio beacons, and thus is ideally suited to missions into enemy territory where external aids would not be available.

While the resolver has been used principally in airborne navigation systems so far, an even bigger potential market is looming in the field of military ground navigation.

Under conditions of limited visibility, unfamiliar terrain and where external navigation aids aren't available or can't be used, the army . . . just like the air force . . . needs navigation devices to ensure missions reach their intended destinations.

Indications are the ball resolver is ideally suited to ground navigation systems. Precise information about its application in this field is not available because of security.

But considering the number of trucks, tanks, self-propelled guns or rockets and other vehicles used in modern warefare, potential for the resolver appears to be enormous if the ground navigation system clicks.

A very limited commercial market also looms for the device for guidance of vehicles in the Canadian Far North and similar areas — such as deserts — where visual land marks are lacking.

ANNOUNCEMENT

ALASKA-YUKON PIPELINES APPOINTMENT

JOSEPH P. YATES

John G. Perseous, Q.C., President of Alaska-Yukon Pipelines Ltd., announces the appointment of Joseph P. Yates, Vancouver, as Executive Vice-President. Mr. Yates has had many years experience in the refinery engineering field having formerly been with Fluor Corp. of California and Refinery Engineering Co. of Tulsa.

With this appointment the directorate of Alaska-Yukon Pipelines Ltd. will, in addition to the aforementioned, consist of John C. Rogers, Montreal; Air Vice-Marshall (Ret.) K. M. Guthrie, Vancouver; John B. Clements, Toronto; C. M. Drury, Montreal, E. M. Duggan, Edmonton, and R. T. Ruder, New York.

Company Reports

Beverages

UNITED DISTILLERS OF CANADA LTD., Vancouver, consolidated net loss for 12 months to Sept. 30/60 was $51,413. For 15 months to Sept. 30/59 loss was $38,987.

Wholly owned subsidiary, **United Distillers Ltd.** is being wound up and assets divided rateably among shareholders as tax-paid distributions. Distributions totaling $7,715,844 ($18 per share) have been made from Dec. 11/57 to June 27/60. As at Sept. 30/60, tax-paid undistributed income totaled $72,656.

Parent company in /53 was assessed $1.5 million taxes and interest in respect of /48. In /53 company paid $679,875 in respect of this amount.

U. S. government has claimed substantial income taxes for years /44 to /46 by three persons (one now deceased) who were vendors to company of certain foreign assets. Company in fiscal /59 paid $150,000 to one of these persons "in consideration for which such person has released the company from further obligation in respect of these claims," it is stated in a note to the balance sheet.

Signatures of directors were not affixed to the report for period ended Sept. 30/60 and no list of directors was given.

CONSOLIDATED INCOME ACCOUNT

	Year ended Sept. 30 1960	15 mos. ended Sept. 30 1959
Period Ended:		
Net oper. loss	a$68,863	a$24,072
Less: Prof sale rec.	16,850	.....
Add: Depreciation	.....	2,915
Inc. tax res.	.....	12,000
Net loss	$51,413	38,987
Shares o/s at Sept. 30:		
Common, n.p.v.	428,658	428,658

CONS. BALANCE SHEET—MAIN ITEMS

As at:	Sept. 30 1960	Sept. 30 1959
Cash & Dom. bds.	$95,087	$783,363
Total assets	95,087	789,037
Capital stock	643,249	643,249
Deficit	627,055	373,643
Tax-paid surplus	72,656	718,643

Loan Hopes Good for Small Business

OTTAWA (Staff)—New government-guaranteed loans for small business became available at the banks this week under usual bank-loan conditions.

The more credit-worthy you are, the better your chance of getting one at the prime lending rate of 5¾.

The cabinet set Jan. 19 as the day on which the banks could start offering the new loans — maximum of $25,000 for up to 10 years to those whose annual gross revenue doesn't exceed $250,000.

But regulations published in the Canada Gazette indicate Finance Minister Fleming's hoped-for interest discount on the loans has not materialized (FP, Nov. 26).

The regulations allow the banks to charge a premium for insurance over and above the interest rate.

FP is told, however, that the government is determined the interest rate shall not exceed the Bank Act's 6% maximum through gimmicks like service charges.

Finance department authorities expect that most demand will come from retailers.

The Retail Merchants Association of Canada estimates that about 15,000 owners of small businesses will launch projects costing $75 million under the new legislation.

Retailers aren't the only ones who will be able to apply for loans to improve or stimulate their business.

The regulations list as eligible every conceivable operation within four main categories — manufacturing, wholesale, retail and service—from diaper services to detective agencies, motor hotels to mortuaries.

Loans are permitted for . . .

- Fixed equipment — up to 80% of purchase price including installation cost.
- Movable equipment — up to 80% of purchase price.
- Improvement of premises — up to 90% of project cost.

The chartered banks already make loans to small businesses they rate as credit worthy, but the bankers feel the legislation broadens the field in which they can give help.

Some small businessmen, however, have said there wouldn't be any need for government-guaranteed loans if the banks had been doing their job.

Interested in the Hawaiian Market?

If you want any kind of detailed business or marketing information about Hawaii, contact Mr. James H. Shoemaker, Director of Business Research, Bank of Hawaii, Honolulu.

For continuing information on the business and economic outlook, ask to be put on the mailing list for our monthly publication, "Review of Business and Economic Conditions."

BANK OF HAWAII

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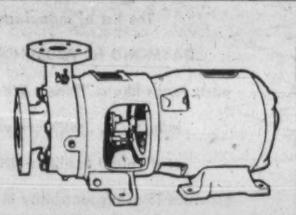
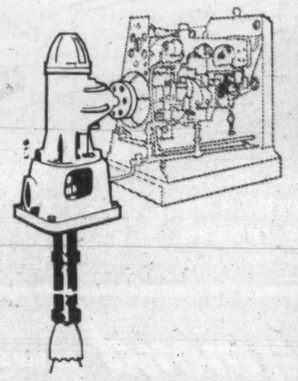
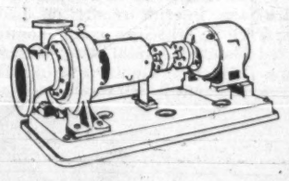


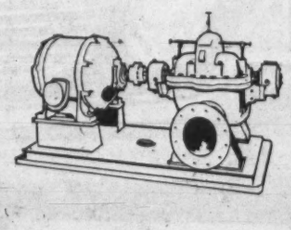
Motorpumps—for construction and general industry, municipal utilities, process, marine and other applications. Compact, single suction centrifugal pumps. Capacities to 3100 gpm.



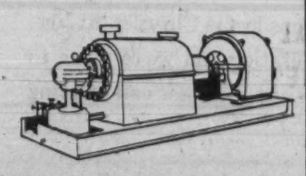
APH Type Pump—vertical turbine pump—one of a wide range of I-R pumps for fire protection, municipal water supply and process applications. Capacities to 100,000 gpm.



Centrifugal Stock Pump—one of many designed specifically for the pulp and paper industry. Capacities to 9000 gpm. Stock consistencies to 9%.



ALV Type Pumps—various applications including municipal utilities, pulp and paper, construction and general industry. Single-stage, centrifugal unit of the horizontally split, volute type. Capacities to 50,000 gpm.

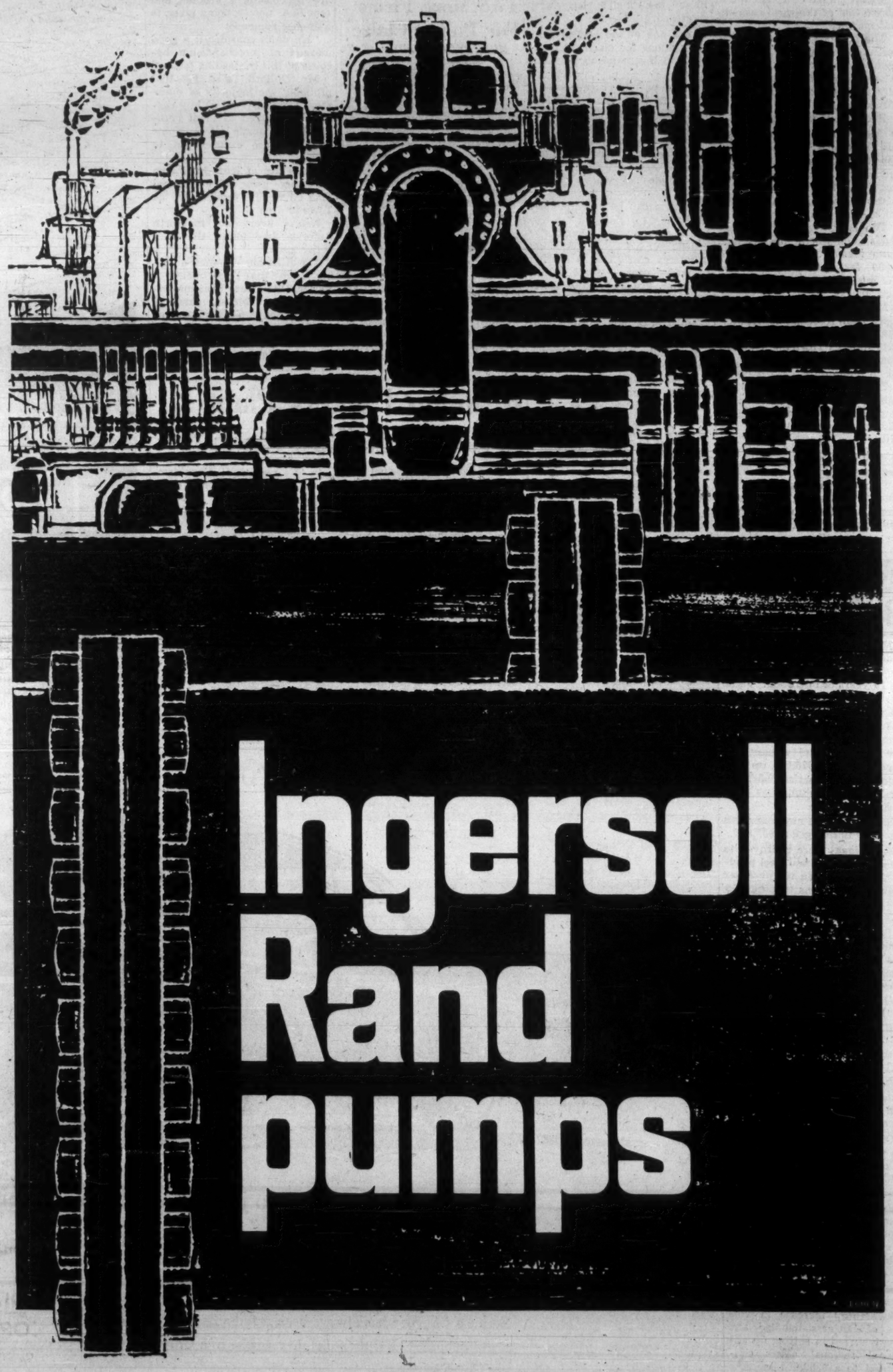


CHTA Type Pumps—for high-temperature, high-pressure boiler-feed service. Multi-stage, diffusor-type units. Capacities to 7200 gpm. Pressures to 4550 psi.

Other pumps from ¼ to 22,000 HP

Canadian Ingersoll-Rand Company Limited

E610-N1



Ingersoll-Rand pumps

From the beginnings of Canadian industry, Ingersoll-Rand has been designing and building the most complete line of pumps available from any single source. And I-R engineers are constantly developing custom-built pumps to meet any need. The popularity of Ingersoll-Rand pumps is the result of sound design, long-term performance, and ease of maintenance. If your problem involves pumps, call or write your nearest Ingersoll-Rand Office today.

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Push-Button Farmer Big User of Power

Electrical-power producers are setting their sights on a growing market: the mechanized farm.

Ontario Hydro, for example, is educating Four-H Club members in the advantages of electricity. It has formed one Electric Club of boys and girls, plans more.

Hydro also works closely with manufacturers of electrical equipment designed specifically for farm use.

The revolution on the farm has already, for the first time, boosted the average farmer's kilowatt hour consumption above that of the rural residential customer.

The farmer's average monthly consumption in 1959 was 477 kwh. Projected from the record, it would be 670 in 1965. Actually, Hydro expects it will be 870 kwh per month by then.

Recent developments:

• **The farmer can now pump his fluid milk direct from the cow** to a bulk storage tank and from there to a tank truck. A year ago he couldn't do this without weighing each cow's milk. Now it's metered.

The system saves labor, extends shelf life of the product. Some idea of the market: About 1,000 farmers ship milk into Toronto, 98% as fluid milk in tank trucks.

More energy is needed to keep pipes from freezing, heat water, run vacuum pumps, refrigerate bulk tanks. The tank truck is now using the farmer's electricity to pump milk.

There are about 360,000 dairy farmers in Canada shipping milk in some form. It adds up to a good load for any utility.

• **Another energy user is the hog farmer.**

Two heating systems are used in raising baby pigs: direct heat from infra-red heat lamps, and soil heating cable in the concrete floor operating on a thermostat.

Use of soil cable has only recently been approved in Ontario and generally is more satisfactory. Initial cost of about 66 ft. is only $12. Hydro sees a big market in hog-producing Ontario.

• **Equipment sheds** — where the farmer spends many cold hours repairing equipment in winter — are good places for radiant lamps for direct heating just over the work area.

• **Radiant heating** for brooding chicks is another use.

So far, only the surface of these markets has been scratched.

• **But one of the biggest** farm applications for electrical energy is in the materials handling field.

In the past 10 years, a majority of farmers have moved to combines, balers, etc., for cutting down manual labor in the field. But in doing the ordinary chores around the barn, farmers are way behind.

Examples of what's on the way:

▸ Feeders can be automatically refilled.

▸ An automatic silo unloader can unload for about 8.8c a ton in energy cost. This is leading to larger silos —16, 18, 20 ft. diameter instead of the usual 10, 12, 14 ft. diameter and heights up to 60 ft. There's no spoilage and silo is unloaded evenly.

▸ An automatic stable cleaner cuts a normal 1½ hours work to 10-12 minutes — one of the greatest labor savers on the farm.

▸ Automatic feeding enables one man to raise 50,000 broilers instead of 10,000. It's the same with hogs — automatic feeding, automatic water bowls, etc.

The farm has become a factory and the farmer will have to use all the tools that will help make him a profit. To do that, he'll need electricity.

BBB Digs Up Tax Threat To Snag 'Referral' Deals

Income from "referrals" — if it's over $100 — is taxable income in the eyes of National Revenue.

This fact has been dug up and publicized by the Toronto Better Business Bureau as part of its campaign to discourage this type of selling.

A referral plan is one where the consumer agrees to buy a product on the understanding that he will then make money by referring other customers to the salesman.

The sales method has swept across both Canada and U.S.

It's now at a peak but should soon run into saturation, merchants say.

The Better Business Bureau objects to the deals on two grounds.

• Many of them are outright frauds since the operator has no intention of paying off. He has plenty of loopholes.

• In any event, the method is "objectionable" because it misleads consumers.

V. P. Dollard, assistant general manager of Toronto's BBB, says:

"Many people believe they are getting a chance to make money but don't realize they are purchasing a product and that their note is being given to a finance company.

"We don't consider it a good method of merchandising because of this misleading factor."

Mr. Dollard told FP that probably the majority of operators would pay off on any customers referred to them (provided they made sales). Some operators use excuses not to pay.

There are at least 15 known operators using the referral plan on various products in the Toronto area.

Nearly every city in North America has found the plan being used.

The BBB has obtained a ruling from the Department of National Revenue, Taxation Division, that referral earnings are taxable. Such an earner would be considered as "working at selling", would come under the category of "acting as an agent".

Two More Firms For Pointe Claire

MONTREAL (Staff) — Two more companies have acquired land in Pointe Claire Industrial Park, a 1,600-acre real estate development near Montreal.

A subsidiary of London-based **Bovril Ltd., Bovril (Canada) Ltd.** will construct combined offices, warehouse and a bottling plant in the park. Occupancy of the 20,000 sq. ft. building is slated for Sept. 1/61, according to vice-president W. A. King.

Company bottles imported beef extract in Montreal for the Canadian market, now occupies 10,000 sq. ft. in the north end.

Associated Window Walls Ltd., a subsidiary of **Rogers Lumber & Supply Co.,** Regina, will build a warehouse and distribution centre for occupation in spring. It is a newcomer to Montreal.

Jointly planned by Jacob M. Lowy, City of Pointe Claire and **Canadian National Railways,** the park was started about five years ago.

Brandon Packers Plant Expected to Stay Open

From Our Own Correspondent

WINNIPEG — Resident management of **Brandon Packers Ltd.** deny the plant is likely to cease operation permanently because of involvement in court proceedings recently (**FP,** Dec. 24).

They admit that what has happened has created difficulties, particularly with suppliers. Volume has fallen off, but company has been paying its current bills.

Many farmers who have been delivering their stock for years insist that they will not allow the company to fold for good.

In case it is forced to suspend operations, they say it will be reorganized.

In this case, J. C. Donaldson (former president and chief shareholder until he sold his shares in 1956 to Hugh Paton and D. Hubert Cox, Toronto) may be asked to take charge again.

If he is, it is thought he would be willing to accept.

Paton and Cox were to appear in provincial police court here this week.

They were arrested in Toronto, flown to Winnipeg and remanded without plea.

The Crown charges that "between Jan. 1/56 and Nov. 30/60, they unlawfully conspired together and with each other to commit an indictable offence, namely, to steal $410,000 property of Brandon Packers."

It probably will be several weeks before the preliminary hearing and trial.

The criminal charges followed a seven-week investigation by A. S. Dewar, special counsel of the attorney-general's department. Mr. Dewar was instructed to determine whether the transactions through which Paton and Cox acquired control of Brandon Packers, and subsequent ones, could be basis for criminal proceedings.

The attorney-general's action in turn followed a suggestion in the interim report of Justice G. E. Tritschler of the Manitoba Court of Appeal, who conducted a judicial inquiry into the 1960 strike at the Brandon Packers plant. The strike started Feb. 29 and continued six months.

In the meantime a petition for winding up the company has been filed by G. R. Rowe, Brandon teacher. He is holder of one share.

Lawyers for Rowe made their application Jan. 9 at Brandon. Counsel for Paton and Cox told the court negotiations were well under way for sale of the company to Mark Long, a Winnipeg entrepreneur, under which shareholders would get "100 cents on the dollar".

Mr. Justice Maybank adjourned the hearing until Feb. 6 making it a condition that status of the company in the meantime would remain unchanged.

Food and Beverage Firms Borrow Most from IDB

Number of loans approved by **Industrial Development Bank** in fiscal /60 was the highest in its 16 years of operation. Value of loan approvals was second only to 1956.

Total of 740 loans was approved, 24% more than /59 figure of 599. Total amount approved was $38,576,000, up 26% from previous year's $30,579,000 (in fiscal /56, volume was $39,359,000).

Average size of new loans was virtually unchanged at $52,000.

More loans were approved to firms in the iron and steel products industry than to any other industry—98 loans totaling $4,283,000 vs. 73 loans for $3,139,000 in /59.

Food and beverage industries, which topped the list in previous years, followed with 94 loans amounting to $5,456,000 (largest volume for any industry) against 82 loans ($4,340,000) year before.

IDB's third biggest borrower was the wood products industry with 77 loans (74) valued at $5,147,000 ($4,777,000).

Bank authorized 103 more loans for amounts under $50,000, and 38 more loans for amounts exceeding $50,000, than in /59.

Ontario had the most borrowers with 264 loans (193 in /59), followed by Quebec with 147 (140) and British Columbia with 110 (87).

Bank's lending rate was reduced to 6½% (from 7%) in September. Reduction was made in view of the decline in bond yields and other interest rates in Canada over previous 12 months, President J. E. Coyne says.

Substantial increase in volume of business handled and costs incurred in setting up additional regional offices contributed to a $359,000 increase to $1,993,000 in operating expenses during the year.

Bank opened offices at Ottawa, Sudbury and Edmonton in /60, bringing the total to 13.

Profit for year to Sept. 30/60 was $1,507,618 ($1,533,503 in /59). After provision for bad and doubtful debts, profit was at rate of 3.7% on average amount of capital and reserves outstanding during the year (4% in /59).

At Sept. 30/60 IDB had on its books 2,425 loans to 1,966 industrial borrowers. Total amount was $120 million, of which $103 million was outstanding and $17 million was committed but not yet disbursed.

Here is a summary of IDB loan statistics for past two fiscal years:

Year ended Sept. 30:	1960	1959
	—$ million—	
Drawn by borrowers	29.7	29.3
Repaid by borrowers	23.4	20.4
Written off	0.1	0.8
Increase in loans outstanding	6.2	8.1
Outstanding at year-end	102.9	96.7
Authorized but undisbursed	16.9	12.4
	— ($000) —	
Av. amount outstanding plus undisbursed per customer	61	68
	—(Number)—	
Customers on books at year-end	1,966	1,609

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EXTRUSIONS

by Daymond

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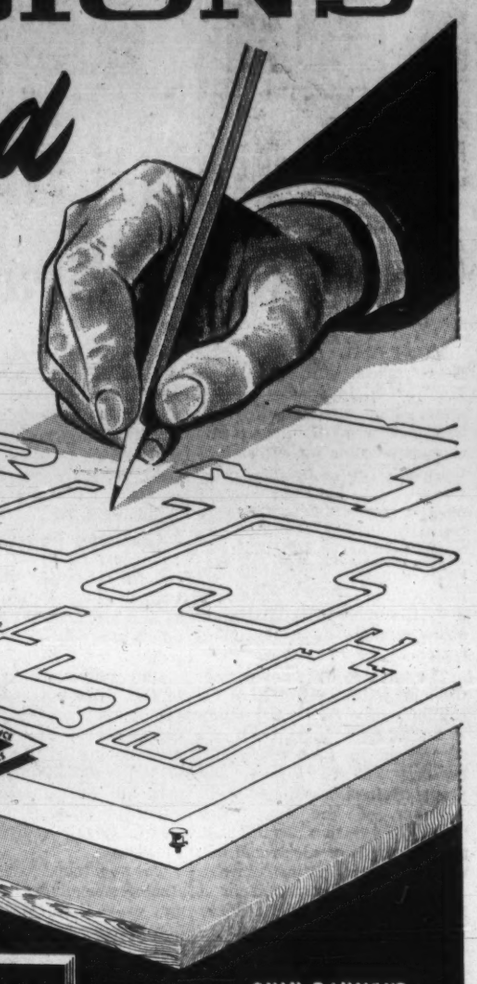

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with the car that has no jr. editions to compromise your investment

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ANNOUNCEMENT

SYDNEY F. THOMAS

The appointment of Mr. Sydney F. Thomas to the position of Assistant General Sales Manager of Leland Electric Company Limited is announced by Mr. J. E. Aldom, General Sales Manager.

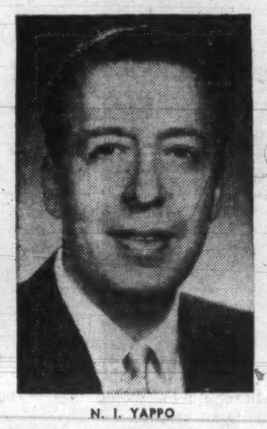
A native of Guelph, Ontario, Mr. Thomas joined the Leland organization over twenty years ago and since 1946 has served as Central Ontario District Sales Manager. He has a wealth of experience in all phases of the electric motor industry and is intimately familiar with the policies and traditions of this all-Canadian corporation.

NEW MACHINERY FIRM

W. S. Wood, former general manager of **F. F. Barber Machinery,** has formed a new firm, **W. S. Wood Machinery Ltd.,** Imperial Life Tower, 44 Victoria St., Toronto. It will handle exclusively in Canada machine tool lines of: **Bridgeport Machine Inc., Covell Manufacturing Inc., Hydraulic Press Manufacturing Metal Working Equipment, Detroit Broach & Machine Co.** Additional lines: **Blanchard Machines** (exclusive for Ontario), and **Acromark Co.**

ANNOUNCEMENT

SANGUINET AUTOMOBILE ANNOUNCEMENT



N. I. YAPPO

P. V. Sanguinet, president of Sanguinet Automobile Ltee., announces the appointment of N. I. "Nick" Yappo as Executive Vice-President and General Manager of the Sanguinet Automobile organization.

Mr. Yappo has a background of 33 years' executive selling experience with General Motors dealerships in China, Japan, and the Province of Quebec. For the past 12 years he has been active in the sale of GM automobiles in the Montreal district.

Uranium Capital 'Stretches Out', No Ghost Town

By NORTON ANDERSON

Now they call Elliot Lake the "stretch out" town.

And most of the present 13,500 residents are proud of it.

They are as proud of their new name as they were when they called the town the "uranium capital of the world."

That was not so long ago.

Then 12 uranium mines operated in the Elliot Lake area. More than 9,000 workers were employed. More than 25,000 lived in the model town.

This week, 4,375 workers are employed there in uranium production.

Soon, in a matter of months, employment will drop to just over 3,000.

There'll be between 10,000 to 12,000 residents in the town.

How long will Elliot Lake hold at that level?

Nobody knows for sure.

Most residents hope there will be no further employment change for the next two years —to allow time for "things" to happen.

Some of them say they would welcome news of an increase in employment in their town. But there is little unrealistic thinking left in Elliot Lake.

For they have faced seeing everything being stretched — uranium contracts, municipal services, retail business and household budgets.

Moving vans continue to leave as unemployed workers and families pull out.

But the town is still surprisingly intact.

There were only 300 vacancies this week among the 2,150 houses and apartment units.

Everyone knows that more houses will become vacant. A lot more.

They know, too, that municipal service costs will mount as more empty dwellings appear on streets.

But R. C. Hart, chairman of the town's board of trustees, told **FP** there is no plan, at present, to seek to consolidate householders.

He says the problem is that company-owned houses are mixed with privately-owned, making switching complicated.

Hart says the odd businessman is still moving out.

But, he says, most of the businesses have tightened belts, sought and got, lower rents and operating costs, and prepared for a long haul.

"In fact, a new grocery store opened recently," he said. "Doing very well, too."

What, **FP** asked Hart, has caused this quiet determination in Elliot Lake? Are new industries on the horizon?

"No. The town hasn't even got the $2 million reform institution promised last July by Ontario Mines Minister James A. Maloney," he says.

"And residents are not counting too much on help from a proposed new provincial park for the district.

"There isn't any sign, yet, of a new industry for Elliot Lake," Hart says.

He says a new industrial commission, appointed by the municipality, is working hard, and has many leads out already.

Town leaders are hopeful something will come of their efforts.

They deplore current "exaggerated reports of doom at Elliot Lake, and statements that everyone is ready to pack up, dismantle homes and leave."

"Few people will leave here, unless they are forced to go," Hart says.

And he says there's no sign of house dismantling in the town.

Vacant houses, he says, are boarded up and kept heated.

Because everyone is keeping a close eye on the investment stake.

There's over $400 million ploughed into the town and area mines.

From talks with the townspeople, it appears likely most are prepared to stretch a lot further to preserve both the investment in Elliot Lake, and the many dreams of a good future in Canada's northland.

Elliot Lake Jobs Halved

Employment in Elliot Lake area uranium mines stood at 4,375 this week. Not too long ago, more than 9,000 workers were taking pay home.

Four more mines close at various times this year. When they do, the town's total workers in uranium producers will be just above the 3,000 mark.

Here's the work situation now:

Milliken	700
Nordic	700
Denison	1,300
Stanrock	650

Closing this year at various times:

Quirke	175
Lacnor	50
Stanleigh	150
Panel	650

(The Pater copper mine, about 22 miles from Elliot Lake, employs 150. It's something new for the area. Some of these workers and their families spend money in Elliot Lake.)

Start This Month On Unknown River Labrador Project

MONTREAL (Staff) — Work will start this month on **Twin Falls Power Corp.'s** $30 million, 120,000 hp hydro-electric development in Labrador (**FP,** Sept. 3).

First unit will be on power by June 1, 1962.

Contract for the power development has been awarded to **Dufresne Engineering Co.,** Montreal, lowest bidder. At the peak of construction about 550 men will be employed.

Site on the Unknown River is about 12 mi. southwest of Hamilton Falls where **British Newfoundland Corp.** has rights to develop four million hp.

Twin Falls Power Corp. is associated with Brinco. **Shawinigan Engineering Co.** is designer and engineer for the project.

Iron Ore Co. of Canada and **Wabush Iron Co.** have agreed to take 100,000 hp at Wabush Lake in southwestern Labrador. Plans are being made by another Brinco subsidiary to distribute additional available power to townsites in the Wabush Lake area.

Brinco's 105-mi. access road from Mile 286 on the **Quebec North Shore & Labrador Railway** to Hamilton Falls has been improved and a 12-mi. spur road constructed to the power site. A 200-ft. steel cantilever bridge has been erected over the Unknown River and a construction camp has been set up.

Construction of a 110-mi. transmission line was started in August by **Canadian Hoosier Engineering Co.**

FP reports on EUROPE

Major Currency Shakeup Rumored

By ERNEST WAENGLER

RUMORS ABOUT an international currency reform are flying thick and fast in the financial centres of Europe.

Last summer, the talk had been about an upward revaluation of the German mark, causing a flood of "hot money" into already bulging German banks.

In the fall, tipsters began to whisper about an impending devaluation of the U. S. dollar and the result was the short-lived boom in gold.

This time, crystal balls show a multilateral reform that would adjust the exchange rates between the major currencies of Western trade—the dollar, the pound, the Swiss franc and the German D-mark — to a new formula that would be better suited to the new trade and investment patterns.

In the opinion of "experts", the establishment of a more realistic relationship would devalue the dollar and pound by about 10% in relation to the franc and mark.

Such a change, they think, would help the dollar countries in stopping the outflow or gold and the Europeans in fighting inflation.

Some observers think that such an action may be taken in late 1961 or, more likely, some time in 1962.

* * *

FRANCE HAS announced a new series of trade liberalization measures, some of which may benefit Canadian exporters.

Trade liberalization, based on imports in 1953, is raised from 98% to 99% for imports from Canada and the U. S.

This means that quantitative import restrictions are abandoned for all goods except those contained in a recently published list.

This includes refrigerators, cameras, typewriters, radios, watches, electric and mechanical toys, trucks and nickel alloys.

Even these goods are to be freed from quotas on March 31, 1961, which would leave mainly agricultural products under quantitative restrictions.

The goods liberalized with immediate effect include all chemical products, textiles, chinaware, diesel engines, tractors and certain electronic equipment.

* * *

THERE ARE indications that France has dropped its insistence on political integration of the Inner Six nations which had been one of the obstacles to speedy economic integration.

As ECM enters its second phase, that of adjusting external tariffs to a common basis, France has gained enough economic self-confidence to feel it can stand the increased internal competition that must come with lower duties.

In preparation for this competition, many French firms have entered into agreements for higher specialization, better marketing and greater rationalization of production.

At the same time, French industrialists are said to have at last accepted the Common Market psychologically, and have planned their investment and expansion programs accordingly.

* * *

THE GATT conference in Geneva, which was supposed to have started the debate on general tariff reductions two weeks ago, has postponed the topic until some time next month.

The talks between the 37 members, including Canada, will also be concerned with lowering the future unified external tariff of the European Common Market which, so far, has not been agreed upon by the six members themselves.

However, the majority of individual GATT members are said to have submitted their proposed tariff lists by now.

* * *

SPAIN IS said to be planning a new series of measures toward stimulating import of capital.

Last fall, a law was passed permitting 50% foreign participation in enterprises located in Spain, and providing for transfer of profits to the country of origin up to 6% of the capital supplied after a waiting period of two years.

Several foreign enterprises interested in investing in Spain are now trying for a better deal, and a strong group within the Franco government is said to be favorably inclined toward creating a healthier climate for foreign investors.

To Canada, an improvement in the Spanish attitude to foreign investments could mean a better chance to recover eventually some of the $150 million assets of Barcelona Traction Co., a largely Canadian-owned firm expropriated by Spain 10 years ago with compensation claims by shareholders still pending.

* * *

THE INFLUENTIAL West German daily Die Welt, considers 1961 will be a "moderately good" year for Canada.

In an article surveying the problems of the Canadian economy in 1960, Die Welt points out that Canada needs twice as many new jobs per year than any other country, and that training of young workers has been too much neglected in the past.

Last month's baby budget is described as "a mild outbreak of economic nationalism" in which Canada tried to go as far as possible without making the investment climate appear insecure to foreigners.

* * *

WHEN THE FIRST stage of the unified external tariff of ECM went into effect on Jan. 1/61, many import duties had to be raised by West Germany, but the new tariff regulations have not as yet been issued for some items.

The Ministry of Finance in Bonn has now instructed customs officers to apply the new tariffs regardless of whether regulations are published. In case of doubt, the difference may be debited to importers —without security or interest —until the new rulings become effective.

Near Record Year For Saskatchewan

From Our Own Correspondent

REGINA — Preliminary estimates of Saskatchewan's 1960 production show it came within striking distance of the all-time record set in 1959.

Production for 1960 is valued at $1,466,300,000 compared with $1,474,600,000 in 1959.

Breakdown for 1960 compared with 1959:

	1960	1959
	($ million)	
Agriculture	491.8	484
Construction	350	375
Manufacturing	360	357.4
Minerals	213.4	210.0
Electric power	39.9	37.2
Forestry	8.2	8.0
Trapping	2.0	2.2
Fishing	1.0	1.0

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ANNOUNCEMENT

CANADA PERMANENT MORTGAGE CORPORATION

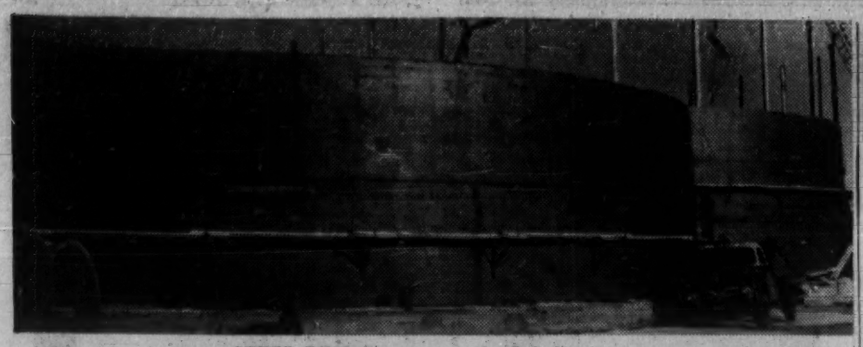
C. F. HONEYMAN D. BROWN

The appointments of C. F. Honeyman and D. Brown as Assistant General Managers of Canada Permanent Mortgage Corporation are announced by Charles F. Mackenzie, General Manager of the Corporation.

Mr. Honeyman is Supervisor of Western Branches with headquarters in Winnipeg and Mr. Brown is Supervisor of Eastern Branches and is located at the Head Office in Toronto.

Six Ford "Falcons" are less than half a load for this 35 ton capacity fork truck introduced by Clark Equipment Company. Ranger is designed for especially heavy lifting work at steel yards, lumber mills and similar outdoor operations. This giant machine, the newest addition to Clark's broad line of Tools of Mobility, is the largest general-purpose fork truck ever built.

CLARK EQUIPMENT Clark Equipment Company, *Buchanan, Michigan*



STEEL BINS for grain at the Lakehead . . .

FP reports on OPPORTUNITIES

NEW plants, business expansions and capital projects still on the planning tables may hold sales opportunities for you. Here is this week's checklist:

NEW PLANTS

Parrish & Heimbecker, United Grain Growers, Stewart (Federal Grain) and Manitoba Pool, Port Arthur, Ont., are all adding to storage. Manitoba Pool will build a 4½-million-bu. terminal this summer as addition to Pool 1. At Pool 3, of same firm, five steel bins, each 102 ft. wide and 42 ft. high, weighing 200 tons and with 330,000 bu. capacity, are being erected (See photo). They are being fabricated at **Port Arthur Shipbuilding Co.** plant.

Building permits in Port Arthur passed the $20-million mark in 1960.

* * *

Aero Marine Industries Ltd., Oakville, Ont., plans a $65,000 plant containing about 12,000 sq. ft., at Walker St., and near Forsythe Ave., Oakville.

* * *

Weir, Cripps & Associates, Toronto, has been retained as associate architect with **Lockwood Green**, Spartanburg, S.C., for $1 million plant on 20-acre site near Malton Airport for **Hanes Hosiery Mills Co.**, Winston Salem, N.C.

* * *

Architect **N. A. Armstrong**, Toronto, is receiving tenders on Brampton, Ont., plant for **Benson & Hedges of Canada**, subsidiary of **Phillip Morris Inc.**, New York. General contractor for the foundations is **A. E. Rule Ltd.**, Weston, Ont.

* * *

Reese Candy Co., Hershey, Pa., contemplates building $1 million plant at Smiths Falls, Ont. Firm has bought nine acres of land directly across from a proposed **Hershey Chocolate Corp.** plant. Construction plans include underground pipeline between firms to pump fluid chocolate from the Hershey plant to Reese building.

EXPANSIONS

Reinforcing Steel Products Co. has bought the former New Toronto plant of **Sparling Tank & Manufacturing Co.** Sale, valued at over $250,000, was handled by **W. H. Bosley & Co.**, Toronto. Plant was custom-built for steel fabrication. Purchaser supplies reinforcing steel, wire mesh and other steel products to the construction industry.

* * *

Renfrew Electric Co., Toronto, is building $50,000 addition to its Carlaw Ave. plant in Toronto. Architect is Harold J. Savage, Toronto, and general contractor, J. Robert Page Ltd., Toronto.

* * *

Progress Brand Clothing Inc. has started work on a $150,000 expansion of its Park Ave. plant in Montreal. Architect is Louis & Aspler; consulting structural engineer, Henry Jase & Morris Levis; general contractor, Louis Donolo Inc., all of Montreal.

SALES IDEAS

Metro Toronto Board of Trade reports these business opportunities:

Mamfem Trading Co., P.O. Box 584, Accra, Ghana. Interested in shoes; cutlery; textiles; brushes; beer; tools; inks; jewelry; soaps; tinned meats; hosiery; eye glasses; patent medicines; drugs; aspirin tablets; cosmetics; essential oils; other products.

Ramchand Ambiram, P.O. Box 2525, Bombay 2: Interested in in porting Canadian products.

M.A.M. Abdul Cader P.O. Box 1258, Colombo, Ceylon: Groceries and provisions; dairy products; haberdashery; sundries; tailors' supplies; cosmetics; toilet and medicated soap; hardware; building materials; cements; nickel and porcelain products; stationery; inks; bakery products; chemicals and drugs; infant and invalid foods; toys; games; books, etc.

Ceylon and Foreign Council of Business Friends, 100, 2nd Floor, New Chetty St., Colombo 13: Council invites Canadian businessmen to contact them for general business information.

Salim K. Thomas, Alwiyah, Za'eem St., Arasa No. 147/gh, Baghdad, Iraq: Wishes to contact Canadian maker of electrical materials; air coolers; freezers; refrigerators, etc. Also tinned meats and fruits and confectioneries.

P.G. & Co., P.O. Box 5937, Kowloon, Hong Kong: Manufacturers' representatives and commission agents interested in representing Canadian firms.

Papworth & Co., 8 Victoria St., Liverpool 2, Eng.: Wishes to sell in Canada tarpaulins; hatch covers plastic products; motor boats.

Wallace, Knowles & Co., Leith Buildings, 24 Moorfields, Liverpool 2: Hardware; provisions; textiles; shirts; hosiery; building materials including cement; motor car spare parts; earthenware; chinaware; enamelware; cutlery.

Australian Government Trade Commissioner, 1255 Phillips Square, Montreal: Has supplied the board with list of Australian firms wishing to export following products: domestic oil heating systems; ladies' leather bags; ginger; used rails; Eucalyptus oil; pharmaceutical products; tanned sheepskins; babies' knitwear; surgical sutures; windscreen wipers; chamois leather; apples and pears; raw hides; wines; tallow; fish; honey, etc.

Manufacturers Imports Inc., 7000 Fieldcrest Rd., Baltimore 15, Md.: Wants representative to handle two new products on exclusive and direct purchase basis. They are a do-it-yourself wall-panel or chipped colored granite stones, and a do-it-yourself paint by number kit on a pair of wall scrolls in contemporary designs.

Astralite International Inc., P.O. Box 2661, Grand Central Station, New York 14: Wants representatives calling on department stores, houseware stores, etc., for sales of electric lamp. Board has literature.

Cia Navex, S.A., Edificio Iberia, Mexico D.F.: Wants to contact importers interested in Mexican products from raw materials to ready-made goods, as well as Indian goods, etc.

Lotus United Co., P.O. Box 938, Port of Spain, Trinidad: Paper products including exercise books, stationery, paper bags, cups, wrapping paper, printing paper, etc.; tinned foods including sardines, salmon, mackerel, beef, pork, etc.; textiles, shirting, household and builders hardware; general merchandise.

Les Services Commerciaux, P.O. Box Rue des Miracles 5, En Face B N R H, Port-au-Prince, Haiti: Sea shells; iron steel scrap; exotic paintings; drink stirrers made of bamboo and mahogany; hormonal herbs; mahogany articles and statuettes; sun umbrellas, etc.

Jesmarjo, Diagonal Norte 760, of. 601, Casilla Correo 2101 C. Central, Buenos Aires, Argentina: Wishes to contact importers interested in the Argentinian market.

NEW PROJECTS

Province of Ontario has reached agreement with Etobicoke Township, Metro Toronto and Central Mortgage & Housing Corp., to develop a $2 million, 155-unit rental housing project on Scarlett Rd. Development will start soon.

ANNOUNCEMENT

REYNOLDS ALUMINUM COMPANY APPOINTMENT

B. B. GRALOW

The appointment of Bruce Barr Gralow as a director of the Reynolds Aluminum Company of Canada Limited has been announced. Mr. Gralow joined the Reynolds organization in 1960 as vice-president of Reynolds International, Inc., Hamilton, Bermuda, a position that has involved him in extensive travel throughout India, the Middle East and Europe as well as North America. A graduate in chemical engineering of the University of Idaho, his background includes wide experience in an executive capacity with several Canadian and American firms. Mr. Gralow is a member of the American Institute of Chemical Engineers and the Technical Section of the Canadian Pulp and Paper Association.

Watch for Fraud In Utility Calls

Fraud in the utilities business is "still a problem."

Spokesmen for Better Business Bureaus warn householders to be on guard when called on by someone supposedly representing a utility.

Their method:

They "inspect" gas, hydro or water installations — then try to get a fee for "repair work."

Latest outbreak is in Saskatchewan where bogus "inspectors" pose as representatives of **Saskatchewan Power Corp.** They ask to inspect gas installations and try to collect repair bills.

A **Consumers Gas Co.** spokesman in Toronto says the Saskatchewan deal has not been tried yet in Toronto area.

"But we do have trouble, periodically, from operators claiming to represent us."

WHAT'S NEW

LOOKING for helpful tools for your business? Gift ideas? Import-sales deals? Here is this week's checklist of interesting new products from plants around the world:

BLOTCHY BRICKS?: Notice how often new brick-work breaks out in a powdery, white crust. This can now be prevented by mixing into the mortar a chemical compound developed in the U. S. Maker claims it immobilizes the electrically charged salt, or sulphate, atoms responsible for discoloration.

* * *

ELIZABETHAN SILVER made from the spoils of Spanish kings during the reign of Good Queen Bess has been copied and reproductions are now on sale in U. K. Dishes vary from 3¼ in. to 16 in. in diameter. They have wide rims edged with a double line, and in the centre, a raised dome, characteristic of the period.

* * *

FELT CRASH HELMETS: One of man's oldest materials is being used in U. K. now to make crash helmets. Treated chemically, felt makes strong, light, flexible crash helmets, the maker claims. Fashion-finished for women.

* * *

MAGNETIC MOP: Swivel-headed "dry" mop with a harmless electro-static charge that pulls dust from hard-to-get-at corners and cracks is now available to the housewife. Mop has a wool head and shakes clean like a conventional mop.

* * *

TABLET MAKER: Tablet machine which can dry-blend powders in a single operation has been developed in the U. S. Attachment eliminates the wet mixing, drying, granulating, slugging and other preparatory steps, maker claims. Also minimizes air-entrapment, laminating and capping.

* * *

LEATHER LUXURY: Floor tiles 9 in. by 9 in. in natural leather for use in executive offices, display centres and luxury homes have been introduced in the U. S.

* * *

NEW LITERATURE: Safety Supply Co., Toronto; 60th anniversary brochure describing safety services and products . . . Canadian Institute of Timber Construction, Ottawa; reference book on standard plans for modern, timber bridges . . . Canadian Machinery & Metalworking, Toronto; 24-page booklet, "The Metalworking Behind Our First Nuclear Power Station" . . . **Anti-Hydro of Canada Sales Ltd.**, Montreal; leaflet on a liquid chemical used to make concrete floors hard and abrasion resistant . . . **Philips Appliances Ltd.**, Toronto; information on two new battery-powered intercom systems, illustrated . . . **Wallaceburg Brass Ltd.**, Wallaceburg, Ont.; catalogue of company's plumbing fixtures and fittings.

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Urge Industry Replace Imports With B. C. Output

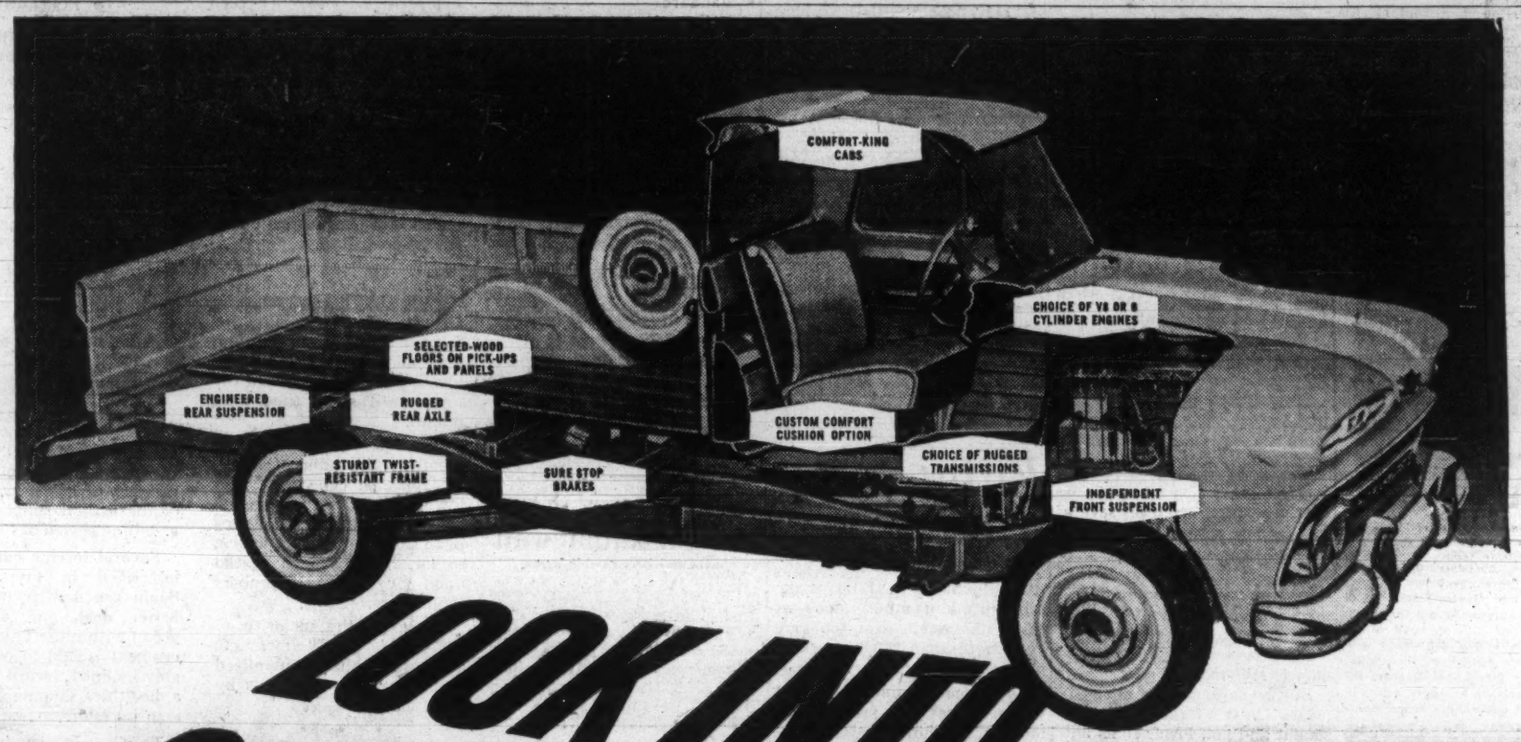
Manufacturing industry of British Columbia is being urged to take a close look at incoming goods by the Department of Industrial Development, Trade & Commerce.

The department has published "A Listing of Selected Import Items" to encourage import-replacement production in the province.

Some big import classes that might be replaced by domestic output are marine diesel engines ($2 million imports), oilcloth and linoleum ($1.2 million), washing machines ($1.2 million) and heavy fuel oils ($5 million).

Imports run to $435.5 million for 778 commodity groups, the listing shows.

Among recent successes for import-replacement are B. C. production of caustic soda, chlorine, copper pipe and primary steel — operations started in past 10 years, and all "broadening the province's industrial base."



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ANNOUNCEMENT

PACIFIC PETROLEUMS LTD.

GEORGE L. McMAHON

The appointment of Mr. George L. McMahon as Vice Chairman of the Board and Member of the Executive Committee of Pacific Petroleums Ltd. in Calgary, Alberta, is announced by Mr. Frank M. McMahon, Chairman of the Board.

Mr. George McMahon has been President of Pacific Petroleums since 1952 and is one of the founders of the Company. Mr. McMahon is also a Vice President and Director of Westcoast Transmission Co. Ltd.

Even Some Asian Nations Away Ahead of Canadians On Productivity Councils

OTTAWA (Staff) — During the last dozen years, the idea of a national productivity council to promote economic progress and prosperity has spread to countries around the world.

Canada's new 25-man council was expected to be named this month.

More than a dozen European countries have such councils (or centres as some call them), most of them well established and in operation for most of the last decade.

Japan has had a productivity centre since March, 1955.

There are productivity councils or industrial development centres in at least six Near-East and Asian countries, including India, Pakistan and Nepal.

At least three Far-Eastern countries have similar bodies and the idea has caught on in half a dozen Latin-American countries, including Mexico.

The idea had its beginning with the Anglo - American Council on Productivity, established in 1948 for a four-year term. Since 1952 the work has been carried on by the British Productivity Council.

In response to the stimulus of the Marshall Plan for economic and technical assistance from the U. S., the idea spread to western Europe.

By 1955 most were able to operate under their own steam.

But a co-ordinating body, the European Productivity Agency, has been in operation since 1953 as a central liaison between the councils in Europe and the U. S. and Canada.

The main Canadian contact with the EPA is the technical information service (TIS) of the National Research Council.

The TIS has access to all the productivity information available from the EPA and in return provides free access to Canadian knowledge.

The Canadian service, incidentally, has become one of the most widely respected in the world. Observers from several countries wanting to set up a similar service at home have visited here in recent months—including one delegation from New York State, which is planning to establish its own such agency.

Out of the dozen years of experience with productivity promotion in Europe, the EPA has drawn some general conclusions about the requisites of a successful program.

"Above all else, productivity is an attitude of mind.

"It is a mentality of progress, of the constant improvement of that which exists—the constant adaptation of economic and social life to changing conditions—faith in human progress."

Most productivity councils depend mainly for finances on public funds.

The organization, work, specific achievements and financial backing of productivity councils in other countries differ according to each one's varying needs and conditions. Most depend mainly for finances, however, on public funds.

The British Productivity Council is a non-government body with membership comprising representatives of all the main management and labor organizations.

There are no government representatives on it. But the British Board of Trade, as the government department chiefly concerned with productivity and administration of financial assistance to the council, must be satisfied generally on the main lines of the council's policy and spending.

The council's income derives roughly: 7% from organizations represented on it; 8% from charges for conferences, etc.; 85% from government funds.

The chairmanship changes yearly, alternating between an employer and a unionist.

There are some 107 affiliated local productivity committees and associations, in all the main centres and with membership from both sides of industry.

One thing that gave Britain a big jump on Canada in developing the productivity council idea was the existence beforehand of so many trade associations with that general purpose. Canadian associations generally have no economic research facilities.

The British productivity program includes a variety of activities, mostly educational — even propagandistic.

Local productivity councils are voluntary and independent bodies. Membership includes managers, unionists, technical school teachers, representatives of professional institutions and anyone else whose work is concerned with productivity.

There has been a tendency for these local committees to become associations, broadening membership to include firms and unions as well as individuals.

One fairly frequent activity is a scheme for inter-firm visits within local areas of teams from management or supervisory, technical and workshop levels.

Some of the greatest benefits of this scheme have been indirect.

Many firms found that from the contacts made, they could turn regularly to firms in their area for assistance or advice on various problems.

The council says the team visits are undoubtedly stimulating interest in productivity on the shop floor and playing a part in improving industrial relations.

In several Mediterranean countries, France among them, the productivity centres have been granted extensive powers to exert influence on the national economic structure as a whole.

In France the Commissioner-General for Productivity is charged with the responsibility, in liaison with France's national productivity committee, of "studying and proposing to the government measures designed to raise the productivity of the French economy either directly or indirectly."

He is also given wide powers for planning and executing productivity programs.

The French Productivity Centre has three main agencies:

- **National Productivity Committee,** an advisory body with 24 government members and 23 appointed either because of special qualifications or on the proposal of unions or employers associations.
- **General Commission for Productivity,** responsible for carrying out the productivity program. Its departments include:
  - Training, education, research.
  - Organization and management (private business and public administration).
  - Standardization.
  - Economic credit — financial and tax questions.
  - Technical assistance.
  - Information and documentation.
  - Vertical sectors — agriculture, trade, distribution-consumption, building, transport - handling - packaging.
- **Association for Promotion of Productivity,** with a 16-member governing body composed of eight government representatives and eight representing industry (three unionists, three employers, three agriculturists).

In addition, France has a dozen regional productivity centres; 57 trade and inter-trade productivity centres covering industry, commerce, small business, agriculture and other trades, set up on initiative of trade associations or groups of employers, in most cases with union representation.

Though France's productivity program is obviously comprehensive and detailed, it is described by U. S. authorities as becoming increasingly co-ordinated.

The U. S. International Co-operation Administration, which has carried out the American role in all these programs since 1948, says the French program "forms a coherent whole and an integral part of France's policy of economic expansion."

The statutes of the West German productivity centre set out as its main task:

"To promote all rationalization efforts which will serve to develop the German economy in technical, economic, social and human respects."

A non-government body, its 35-member board of directors represents government; science; industry; trade, commerce and handicraft; employers associations; unions.

Main purposes of the Japan Productivity Centre, financed by the government and contributions from private sources, include:

- **Development of export trade channels and expansion of exports,** especially high-quality specialty products requiring skilled labor and a minimum of raw materials.
- **Introduction of new technology and related industrial policies.**
- **Modernization of management methods.**
- **Improved use of power resources.**
- **Improvement of small and medium-size industry.**
- **Improvement of labor-management relations.**
- **Expansion of Japan's earnings from tourism.**

Work Studies by Council Could Help Small Firms

Work studies are one way in which small businesses could benefit from a national productivity council in Canada.

In the U. K., the British Productivity Council employs advisory services representatives who are on call when small businesses run into difficulties.

For example, a small company engaged in manufacture and repair of commercial vehicle bodies was concerned about lack of profit in view of the amount of capital it employed.

The company's production bonus scheme appeared to cause general dissatisfaction among employees and customers were unhappy over slow deliveries.

Representatives of the council's advisory services spent three weeks studying general problems of organization and production. Their report recommended introduction of a work study to improve production methods and set up a sound basis for a new bonus scheme.

The report also recommended improved cost methods, revision of estimating and pricing procedures. The company accepted the recommendations and put them into effect.

After one year the company was in a stronger competitive position, labor turnover was low and employees were earning 40% more a year. There were substantial cost reductions.

There is a charge for studies undertaken by representatives of the advisory services, but it is low in comparison to what it would cost to hire a management consultant.

The management consultants are not in opposition to the productivity council services, because in many cases the council representatives will recommend more extensive or specific studies by consulting firms on the basis of their preliminary investigations.

On a broader scale, here are some of the things other productivity councils have achieved:

- Through research, co-ordination and co-operation, waste in one industry became raw material to another.
- A book on non-mechanical materials handling equipment was prepared and distributed, enabling many firms to increase productivity.
- Thousands of personnel trained in proper use of most-recently developed tools, technology and techniques of advanced management.
- Studies carried out enabled many firms to either expand existing operations or establish new factories, creating extra jobs.

Course Stresses Loss Prevention

A training course designed to reduce damage and losses in truck shipments, and to speed deliveries, will be held Jan. 23-27 at the Safety Training Institute, Toronto.

Sponsored jointly by the Automotive Transport Association of Ontario and the Ontario Safety League, the course is designed particularly for terminal management personnel.

Instructors are drawn from both Canada and the U. S.

Limited to 40 participants, the course was over-subscribed in 1960, its first year.

NEW SIGNATURE

A new corporate signature has been introduced by **Edwards of Canada Ltd.,** producer of electrical and electronic control, communications and protection equipment in Owen Sound, Ont. Featuring a bold letter "E" centred within an inverted triangular shield, the signature will be used on packaging and wherever the company name appears.

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ANNOUNCEMENT

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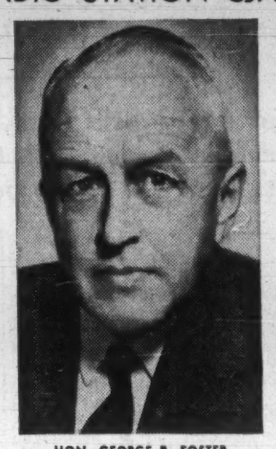

HON. GEORGE B. FOSTER

PIERRE P. DAIGLE

Election of M. Wallace McCutcheon, Q.C., Honourable George B. Foster, Q.C., and Pierre P. Daigle to the Board of Directors of Radio Station CJAD Montreal, is announced by John A. McDougald, Chairman of the Board.

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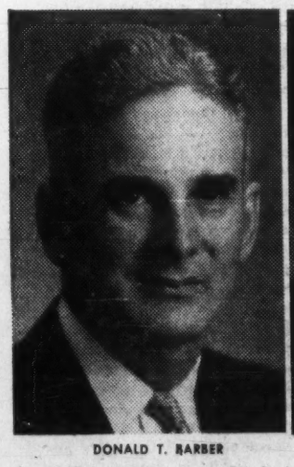
ANNOUNCEMENT

TAB PRODUCTS OF CANADA LIMITED — NEW COMPANY



DONALD T. BARBER

TOM SCRYMGEOUR

A new Canadian company — Tab Products of Canada Limited — will market a full line of data processing auxiliary equipment. The range of products include punched card files, Tabtray equipment, card storage racks, posture chairs, trucks, card trays, reference files, card punch desks, storaways, control panel cabinets, storage racks for magnetic tapes, guide cards and binders.

All of their products have been engineered specifically for use with punched card and magnetic tape equipment. One feature that distinguishes their products is their flexibility with interchangeability of parts that can be adapted to the changing requirements of data processing installations as they expand.

Offices have been opened in Toronto at 145 Yonge Street and in Montreal in the Shell Tower Building, 1255 University Street. Offices are being opened in the principal cities across Canada and will be in operation within the next few weeks.

A complete stock of products will be warehoused in Canada for immediate shipment.

Mr. Donald T. Barber, formerly Management Consultant, and Mr. Tom Scrymgeour, formerly Vice-President Operations of White Hardware Ltd., are the principal officers of the company. Both have had extensive experience in the data processing field.

The services provided by this company include consultation of machine room layouts and the auxiliary equipment best suited to efficient work flow. Their equipment and services relate directly to the correct use of magnetic tape handling and storage.

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Addresses Made at the Annual Meeting of Shareholders

The Royal Bank of Canada

W. Earle McLaughlin, President, Ridicules The Popular "Bogy" of Foreign Investment. Inflow of Capital Is No Serious Threat to Our Economic Independence If Exchange Rate Free

Lauds Government's resistance to "almost hysterical wave of sentiment against import of foreign capital" . . . Curtailment of foreign investment no cure for present problems of trade, employment and debt

Urges Bank of Canada to signal changes in monetary policy to avoid intermittent crises and a host of minor upsets in the market

General Manager reports assets reach $4,296,000,000 to establish new record in Canadian banking. Deposits of $3,884,000,000 reach new high level. Capital Funds $291,800,000. Trade opportunities with Latin America promising.

ADDRESS OF PRESIDENT

W. Earle McLaughlin, President, in moving the adoption of the Directors' Report said:

The 91st Annual Report and Balance Sheet of the bank are in your hands. Later in the proceedings Mr. Neapole, your new General Manager, will deal with the Balance Sheet in detail and the views of Mr. Mayne, General Manager (Non-Domestic Business) will be incorporated in his remarks.

Since we last met, the bank has suffered a grievous loss in the deaths of the Chairman and President, Mr. James Muir, and his successor in that office Mr. M. M. Walter. Mr. Muir, who assumed the presidency in 1949, served the bank outstandingly in many capacities. Through his knowledge of people and events, his economic insight and managerial skill, and his flair for business building, he contributed greatly down the years to the success which has attended the bank. Upon Mr. Muir's sudden death in April your Board elected Mr. Walter to succeed him. Late in October Mr. Walter was stricken while at work in his office and died early in December. He was held in high esteem in the financial and business community, not only for his undoubted integrity, but for his great understanding and helpfulness and his fine qualities of mind and heart.

I regret to have to report that Mr. K. M. Sedgewick, who was elected to the Board in April, retired on December 31st for personal reasons.

It will be our pleasure today to place before you for election to the Board of Directors the name of Mr. A. F. Mayne, who has directed the Non-Domestic Business of the bank for a number of years with notable success as well as the names of Hon. Paul H. Bouffard, Mr. W. O. Twaits and Mr. C. N. W. Woodward.

The general theme of my remarks today is, I believe, an important one: no less in fact than that of Maintaining Canada's Economic Independence.

General Considerations

It is sometimes argued that Canada is a victim of her own geography: that her loosely integrated regions from the Atlantic Provinces to the Pacific coast must in all areas respond so completely to the massive economic power of the United States that she can hope for little or no autonomy in the realm of monetary or fiscal policy.

It would be idle of course to deny the enormous economic impact of the United States. It is not sheer coincidence, for example, that the United States and Canada had roughly the same recession-recovery-recession pattern in the 1957-60 period. The response of the monetary authorities in both countries has, naturally enough, been in the general direction of monetary ease. U.S. policy has been more explicit in that, through changes in the rediscount rate, easing of reserve requirements, and public statements by the monetary authorities, both the commercial banks and the general public were well aware of what was going on. This was not the case in Canada.

But in terms of final effect on the money supply, that is on the total amount of bank deposits plus currency in the hands of the public, Canadian policy has apparently been the more "expansive" of the two. However, the actual stimulation of the economy depends, not on the money supply alone, but on the use that is made of it. Demand for loans continues strong but in the absence of any clear advance indication of easier money, it is not surprising that Canada's chartered banks have been somewhat slow to respond to what appears, after the fact, to have been a generally "easier" monetary policy.

But this similarity in the type and timing of monetary, and possibly fiscal, measures to meet similar conditions in Canada and the United States does not mean that Canadian policy cannot be independent in a meaningful sense. I would suggest that the similarity of the conditions to which Canadian and U.S. monetary and fiscal policy must respond is not entirely a matter of transmission from the United States to Canada: the United States is not the only source of instability in the Canadian business picture. In fact, there are forces affecting the North American economy as a whole that do not originate uniquely in either the United States or Canada.

United States Position

It is nothing new of course for Canada to find that she has to take account of forces beyond her control, which affect adversely the prosperity and growth of her economy, and of repercussions from abroad to any policies she may adopt to counteract those forces. But it is something new in recent history for the United States to find itself in this position. The recent outflow of gold has dramatized a fact that has always been true in some degree: that the United States, in spite of its enormous economic strength, is, like other countries, an interdependent part of the world economy.

Moreover, there is another aspect to the recent loss of gold by the United States that may have direct repercussions in Canada. Briefly the U.S. gold loss arises, not from a true deficit on trade in goods and services but from generous American economic aid compounded by large outflows of private capital to Canada and Western Europe. In other words, the United States has a current-account surplus which is more than offset by a capital outflow while Canada, in contrast, has a current account deficit that is more than offset by a long-term capital inflow. Those Canadians who have recently given public expression to their fears regarding the inflow of foreign capital may well have their "problem" solved for them regardless of any change of Canadian policy, through some kind of U.S. restriction on the export of private capital to Canada and other foreign countries.

Monetary Independence

I turn now to what might be called "the external conditions of Canada's monetary independence." And in this category there is one special feature of our economy that increases to a marked degree the freedom of action of our monetary and fiscal authorities in spite of the fact that our borders are open to the free movement, both ways, of goods, services and capital. I refer to the free or "floating" exchange rate on the Canadian dollar.

Before considering some of the recent criticisms of our free exchange-rate policy, and some of the measures offered as alternatives, I would like first to state what I consider to be its overwhelming advantage. It is the same advantage that recommended it to our monetary and fiscal authorities when the policy was adopted in September, 1950: namely, that it automatically neutralizes and renders inert the potentially explosive effect of international "hot money" flows.

It is sometimes argued that "times have changed," we "face new problems," and hot money of the 1950 variety is no longer one of them. But hot money is no longer a problem for Canada precisely because we have the free exchange rate. Hot money today is an embarrassment to West Germany and Switzerland, now on the receiving end; the outflow of hot money has become far more than a minor annoyance even to the United States with its enormous gold reserves, and is inhibiting its freedom of monetary and fiscal action to fight recession; and unpredictable inflows and outflows of hot money have plagued the British Treasury almost continuously since the end of the Second World War.

The U.S. dollar and the pound sterling are the world's leading reserve currencies. As such they are depended upon by the many countries that hold a large part of their exchange reserves in pounds sterling or U.S. dollars to maintain a fixed rate of exchange. This is the burden of leadership in the exchange markets of the world, and it exposes these reserve-currency countries to large and unpredictable swings in their exchange reserves as hot money in the slipstream of rumour, fear, optimism or greed, sweeps at far greater than jet speed from one exchange market to another. Were we to revert to a fixed rate of exchange, we too would be faced with hot money swings of this magnitude. Under such conditions Canada might as well renounce all pretence to independence in monetary and fiscal policy.

"Floating" Exchange Rate

There are those who argue that, whatever its past virtues, Canada's floating exchange rate has behaved very badly in recent years because it has been at what is called a "premium" over the U.S. dollar, even though we have been running a large current-account deficit in international trade and payments. Canada's exchange rate is actually determined by the forces of demand and supply in world exchange markets. Nevertheless, it is even argued that this rate is an "artificial" rate, and that it should be reduced forthwith, presumably to whatever these advisers on public policy define to be its "natural" level! In fact, of course, such a rate could only be a set, or artificial, rate — the true natural rate, whether high or low, is the current floating rate.

But, to say that the floating rate is natural does not mean that, when it is high, it wreaks no hardship on exporters and on domestic producers facing import competition. Nor does it mean that we must necessarily sit back and let nature take its course. But the proposals heard most often in recent months with regard to exchange-rate policy do not attack the fundamental causes of our discontents. Instead, they would launch a massive assault on the obvious, the innocent, or the merely symptomatic; and when the rate is high, they would call for monetary manipulation to reduce the exchange "premium" directly or, in a more sophisticated version, to reduce interest rates and through them the exchange "premium" indirectly.

Unfortunately for the success of such operations, both the exchange rate and the interest rate are merely indicators of real forces in their respective markets. They will respond only temporarily to monetary manipulation. We can change them, if we wish, but only by an appropriate change in the real forces that determine them.

It is time we stopped talking dangerous nonsense about using fiscal and monetary policy, not for their legitimate purposes, but as an allegedly "easy" way of bringing down the exchange rate or the interest rate, or both. We are blaming the steam gauge for the lack of pressure in the boiler. Instead of stoking the fire we are pushing the needle to the right, while the pressure continues to fall. There is no easy way to bring down our exchange rate or our long-term interest rates or to achieve an excess of exports over imports or to cut down on foreign borrowing, if we think any or all of these things desirable; and the sooner we recognize the facts of life as they relate to economic policy, the sooner we shall achieve the goals we seek.

I would suggest that our immediate goals at this time should be increased employment and balanced economic growth without inflation. And I would suggest further that these goals can be attained through appropriate monetary and fiscal measures buttressed by positive measures in a broader range of economic policy. They cannot be attained — indeed our problem can only be made worse — by concentrating on and trying, through monetary policy, to manipulate the exchange rate, or long-term interest-rate differentials between Canada and the United States.

Bank of Canada Policy

Independence in monetary and fiscal policy depends not only on freedom from undue interference from outside forces, which has been the burden of my remarks so far; it depends equally on effective domestic machinery through which policy may operate, and a healthy financial structure to implement that policy.

From what I have said so far you will probably have inferred, quite correctly in fact, that I do not share the critical attitude towards the Bank of Canada and its management that has found recent, and in some cases extreme, expression in the nation's press and elsewhere. I am opposed to the use of the Exchange Fund Account as an allegedly easy way to bring down the exchange value of the Canadian dollar and thereby presumably to solve the problems of exporters andadomestic manufacturers, and increase employment. I am also opposed to increasing the money supply as an allegedly easy way to bring down long-term interest rates and thereby presumably to cut down our dependence on foreign sources of saving for investment in Canada.

I am not opposed to an increase in the money supply under appropriate conditions, but the decision to increase the money supply should be taken for the

(Continued on page 33)

PROBLEMS OF DEBT REPAYMENT MUCH EXAGGERATED

Foreign capital's contribution far outweighs any possible disadvantages

"There is a growing doubt in the minds of many," said Mr. McLaughlin, "concerning the future of our whole economy on some dread day of reckoning when, it is alleged, Canada will have to pay back an enormous debt largely contracted in the United States. This is an over-simplification of the issue.

"It has been estimated that our 'net international indebtedness,' excluding offsetting investment by Canadians in foreign countries, was $17 billions by the end of 1960. But of this net figure at least two-thirds is not true debt but net 'direct investment,' largely in Canadian subsidiaries of U.S. corporations, which will never have to be 'paid back.' The remainder only, or probably less than one third of the total, is net deadweight debt. This, of course, is a very much smaller burden of true debt than the statistics of our so-called 'balance of international indebtedness' seem at first to indicate, and the imminence of the dread day of reckoning, the alleged inevitability of national bankruptcy, must be correspondingly discounted.

"Nevertheless, five or six billions of dollars is still a lot of debt and the sum is growing. There will come a time when Canada will rank as a 'mature debtor,' that is, she will find that in-payments, including long-term capital flows, will be exceeded by out-payments, including interest, amortization and dividend payments. But the problem some observers see of 'providing foreign exchange' to meet this contingency is a spurious one — provided always that we keep our free exchange rate. Except under conditions of uncontrolled inflation, there can be no shortage of foreign exchange with a floating rate which automatically equates the demand for, and supply of, foreign exchange in the market.

"When we become a 'mature debtor,' all we have to do is let nature take its course. Our excess demand for U.S. dollars and other foreign currencies will result in an automatic fall in the Canadian dollar, a stimulation of exports and a discouragement of imports. In other words when we *need* a surplus on merchandise and service account we shall undoubtedly get one.

"It is in the light of these homely truths that I would like to comment on the recent wave of sentiment, amounting almost to hysteria, against the import of foreign capital. Tremendous pressure has been brought on the Government to discourage a further inflow and thus presumably to bring down our exchange rate, reduce foreign indebtedness, and in general to solve in one easy stroke of economic nationalism all the problems of trade, employment and debt that currently beset us. Apparently the Government has resisted this pressure, as concessions made in the 'baby budget' of last December were relatively mild.

"What this pressure group advocates in effect is not to delay or avoid but actually to *hasten* the arrival of the Day of Judgment, which they profess to fear. All the burdens of debt repayment, overestimated as they are, would be on us immediately and without the benefit we could have derived from a continuing flow of long-term foreign capital."

CAPITAL INVESTMENT IN CUBA FULLY RECOVERED

Non-Cubans being repatriated

Commenting on the withdrawal of The Royal Bank of Canada from Cuba recently, Mr. Neapole said, "Assets purchased, consisting of loans to Cuban corporations and individuals, investments in bonds and other securities, plus cash and deposits which The Royal Bank of Canada had with other banks, plus sundry items, totalled approximately 139 million Cuban pesos. In settlement for these assets the Cuban Central Bank legally assumed all of the liabilities of The Royal Bank of Canada in Cuba, consisting chiefly of deposits of Cuban corporations and individuals carried with branches of The Royal Bank of Canada in Cuba. The difference between our assets of approximately 139,690,000 Cuban pesos and our liabilities of approximately 130,860,000 Cuban pesos — or approximately 8,830,000 Cuban pesos — represented the capital investment of The Royal Bank of Canada in its Cuban business plus certain accumulated unremitted profits and other sundry items. Under the settlement, Banco Nacional de Cuba actually paid The Royal Bank of Canada in U.S. currency the total amount of our capital at par of exchange; that is, for each Cuban peso of capital investment, one U.S. dollar.

"There is, however, a relatively small amount of accumulated profits and sundry items included in our investment which is to be recovered over a period of some months, and we are satisfied that the payment will be made as arranged. To provide continuity of management in our former chain of branches, Banco Nacional de Cuba absorbed our entire staff in Cuba but the agreement provided for the repatriation of our non-Cuban staff at our pleasure and their transfers to appointments in Canada or elsewhere are now under way. The agreement did not provide compensation to us for goodwill built up over the long period we were in Cuba, but we believe that in the circumstances our shareholders have good reason to feel that their interests were well served by the steps we initiated to bring about this settlement."

HIGHLIGHTS

MR. McLAUGHLIN:

"There is one special feature of our economy that increases to a marked degree the freedom of action of our monetary and fiscal authorities in spite of the fact that our borders are open to the free movement, both ways, of goods, services and capital. I refer to the free or 'floating' exchange rate on the Canadian dollar. It automatically neutralizes and renders inert the potentially explosive effect of international 'hot money' flows. Hot money is no longer a problem for Canada precisely because we *have* the free exchange rate."

★ ★ ★

"It is time we stopped talking dangerous nonsense about using fiscal and monetary policy, not for their legitimate purposes, but as an allegedly 'easy' way of bringing down the exchange rate or the interest rate, or both. We are blaming the steam gauge for

W. EARLE McLAUGHLIN
President
The Royal Bank of Canada

the lack of pressure in the boiler. There is no easy way to bring down our long-term interest rates or to achieve an excess of exports over imports or cut down on foreign borrowing, if we think any or all of these things desirable; and the sooner we recognize the facts of life as they relate to economic policy, the sooner we will achieve the goals we seek . . . increased employment and balanced economic growth without inflation. They cannot be attained — indeed our problem can only be made worse — by concentrating on and trying, through monetary policy, to manipulate the exchange rate, or long-term interest-rate differentials between Canada and the United States."

★ ★ ★

"I am not opposed to an increase in the money supply under appropriate conditions, but the decision to increase the money supply should be taken for the right reasons and not for its presumed effect on the rate of exchange or on long-term interest differentials between Canada and the United States. I would include among the right reasons the existence of slack in the economy due to a general failure of effective demand—that is, the kind of slack, the kind of unemployment and over capacity, that can be overcome through the brute force of monetary and fiscal policy. I would not expect too much of this sometimes powerful force for good in the economy. Insofar as unemployment in Canada is due not to a failure of effective demand, but to structural faults in the economy we shall still have too high a level of unemployment in spite of an increased money supply geared to an expansive fiscal policy. Once this hard core of unemployment is reached monetary and fiscal policy cannot help. We shall be forced to abandon the comparatively easy devices of monetary and fiscal policy and face the hard facts. We shall have to face up to the failure of labour mobility to keep pace through re-training and through movement to appropriate areas and industries, with our rapid rate of technological change. We shall have to face up to our inflated costs and slow growth in productivity, which together account for the greater part of all the ills that are currently blamed either on the exchange rate or on the monetary policy of the Bank of Canada. These real and apparently chronic problems, are the true cause of abnormally high levels of unemployment in good times and bad and of the general malaise which has been accurately labelled 'high level stagnation'."

★ ★ ★

"I agree with the general aim and direction of our exchange-rate policy and our monetary policy. But if the operations of the Bank of Canada were smoother, and especially if the direction of policy were made clear to the banks, the money market, and the public, a number of intermittent crises and a host of relatively minor upsets in the market, would disappear. Under the present system, with a floating bank rate completely useless as a signal, the banks are in the position of having to forecast not only the course of the economy—that's our job—but also the course of monetary policy—and that I maintain is *not* our job. I realize that the same uncertainties regarding the course of economic events and changes in public policy have to be taken into account by the Governor of the Bank of Canada. For this reason all that the banks can realistically hope for is that they may be told, not what monetary policy will be in the future, but what it actually is at the moment. What is needed is a clear and unmistakeable sign of central-bank policy."

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"There *is* a real problem associated with the large capital inflow of recent years, but it is not that of finding the means of repayment. Canadians are becoming increasingly concerned about the growing foreign control over their industry. This is basically a political problem; a problem of maintaining national sovereignty, of being master in our own house. Foreign owned subsidiaries are corporate Canadian citizens, subject to Canadian law. The government has the power to protect Canadian sovereignty by direct action. As in monetary policy, so in its policy towards international capital, the government, in ensuring a high degree of Canadian economic independence, need not resort to any tinkering with exchange rates, trade balances or capital flows which, even if it achieved its immediate objective in the short run (an extremely doubtful possibility), would do so only at the risk of incidental disaster to Canada's long-run economic development."

★ ★ ★

MR. NEAPOLE:

"Latin America and the Caribbean area generally is still our principal overseas sphere of operation and the wind of change continues to blow over this whole area, in which the populace of the under-developed countries are demanding a share of twentieth century living standards. The most pressing needs are for a more economic utilization of land with more up-to-date agricultural techniques, long term capital for the development of roads and utilities, better health and sanitation facilities and vocational and technical training. All these must come and if the

C. B. NEAPOLE
General Manager
The Royal Bank of Canada

Western bloc of countries do not give immediate assistance to introduce the needed reforms smoothly, they must not be surprised at attempts to achieve them by forceful means and by recourse to other political areas for aid and guidance."

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"In February last, seven countries, Argentina, Brazil, Chile, Mexico, Paraguay, Peru and Uruguay initiated a free trade area and proposed to eliminate tariff barriers between each other within twelve years. Formal establishment of the plan is slated for early this year. Additionally, five countries in Central America have agreed to eliminate tariff barriers between each other, to establish a common exterior tariff and to take measures to co-ordinate their industrial development."

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"It is tremendously important that Canada's ties with Latin America in general, and with the two trading blocs in particular, be strengthened. Our economies are diverse and complementary and the Latin American nations are well disposed towards us. Now that the nine Canadian chartered banks have jointly agreed to form an Export Finance Corporation to assist Canadian exporters to offer terms comparable with those offered by foreign competitors, one of the major obstacles to the further development of Canada's export trade in capital goods has been removed."

GENERAL MANAGER'S ADDRESS

C. B. Neapole, General Manager, referred to the Financial Statement as follows:

The President has already mentioned that I would deal in my presentation with the important features relative to the Ninety-First Annual Statement of the bank and, further, give a report on the bank's international business with particular reference to the settlement of our situation in Cuba. He has referred as well to Mr. Mayne's views on this matter. So let us turn first to the statements which are before you. From what has been said earlier concerning the control of the money supply during the year you will no doubt have concluded that it was not an easy period in which to operate. In fact, we commenced with assets at November 30, 1959 which at that time were $4,000,000 less than they had been a year before. However, in spite of the difficulties it is particularly pleasing to show at the end of the fiscal year total assets of $4,296,000,000 marking a resumption of the upward trend and an increase over the previous annual figure of more than $160,000,000. The total establishes a new record not only for this bank but in Canadian banking as well.

Cash assets, day-to-day loans and Government of Canada treasury bills increased by $65,000,000 to a total of $851,707,000 which represents 21.27% of our liabilities to the public compared with 20.31% a year ago. This means that the liquid position of the bank remains strong — quick assets total $2,261,000,000, representing 56.45% of the bank's total liability to the public, slightly better than the ratio of the year before. Along with this and apart from call loans, current loans increased $75,000,000 to a total of $1,597,000,000. This does not include mortgage loans totalling $289,000,000 which are shown separately. Contrary to the experience of some of the other banks we did not have a substantial drop in loans at the end of 1959 and have met a steady demand during the year. It is interesting and at the same time satisfying to note that the increase has been well spread amongst all types of borrowers but particularly in the areas of small business, farm and personal loans. It is noteworthy, too, that for the second year in succession the total number of borrowers in our Canadian branches increased by 45,000 despite the fact that we have not seen fit to devise a special loan plan in the personal classification. As you are aware, new legislation has been enacted to provide Government guarantees for small business loans but as the regulations have only just been completed it is too early to judge what the impact will be. We have always supported this section of the business community to the best of our ability consistent with sound practice and will continue to do so.

DEPOSITS

The balance sheet indicates total deposits of $3,884,000,000 and this figure also is a new record in Canadian banking. The increase over the previous year's total is $107,000,000 and it is particularly significant that almost all of this, $97,000,000 to be exact, is in Canadian dollar deposits. Deposits by the Federal Government increased $14,000,000 but on the other hand deposits by Provincial governments decreased by $32,000,000. The latter were at an unusually high figure a year ago because of recent substantial bond issues. Personal savings increased by $72,000,000 with $53,000,000 made up in other categories. I am sure you will also be pleased to know that the number of our depositors in Canada now totals 2,894,000, representing an increase of 134,000.

EARNINGS

After full provision for income tax and depreciation our profits for the year amounted to $19,503,702 representing an increase of 13.9% over the previous year and per share earnings on average shares outstanding of $3.04 compared with $2.83 for 1959. Regular dividends amounting to $13,707,221 were paid to shareholders plus an extra distribution of 25c per share amounting to $1,663,200 and after these payments there remained a balance of $4,133,281 of undivided profits. To this we add the balance of undivided profits carried for-

(Continued on page 33)

ROYAL BANK
President's Address

(Continued from page 32)

right reasons and not for its presumed effect on the rate of exchange or on long-term interest differentials between Canada and the United States. I would include among the right reasons the existence of slack in the economy due to a general failure of effective demand — that is, the kind of slack, the kind of unemployment and overcapacity, that can be overcome through the brute force of monetary and fiscal policy.

I would not expect too much of this sometimes powerful force for good in the economy. In so far as unemployment in Canada is due, not to a failure of effective demand, but to structural faults in the economy, we shall have too high a level of unemployment in spite of an increased money supply geared to an expansive fiscal policy.

Causes of Unemployment

Once this hard core of unemployment is reached, monetary and fiscal policy cannot help. We shall be forced to abandon the comparatively easy devices of monetary and fiscal policy and face the hard facts. We shall have to face up to the failure of labour mobility to keep pace, through retraining and through movement to appropriate areas and industries, with our rapid rate of technological change. We shall have to face up to our inflated costs and slow growth in productivity which together account for the greater part of all the ills that are currently blamed either on the exchange rate or on the monetary policy of the Bank of Canada. These real, and apparently chronic, problems are the true cause of abnormally high levels of unemployment in good times and bad and of the general malaise which has been accurately labelled "high-level stagnation."

In taking measures to meet these problems, which are beyond the power of fiscal and monetary policy to solve, we must avoid, except as purely temporary measures, all forms of cost-inflating "make work" or "share the work" schemes: and I would include in this category any increases in tariff or other protection prompted merely by calculations (which may be wrong) of their direct effect on employment. Such measures could result in immediate retaliation at the expense of our exporters.

It is often said in defence of make-work schemes that our export industries, especially in the resource field, though highly efficient, are not large employer of labour. The implication is that we should encourage those branches of industry making products with a high labour content, even at the expense of our exporters. But this argument ignores almost every major contribution to the storehouse of economic wisdom made in the last thirty years. Our export industries relative to their size may not be large **direct** employers of labour, but the income generated by our big, efficient, highly productive export industries has a multiple effect as it flows through our economy, and **indirectly** is a major, if not the greatest single source of demand for labour in Canada.

We should do everything in our power to strengthen the competitive position of our domestic manufacturing industry, beset as it is with tough import competition aggravated at times by the high exchange value of our dollar; but if in the process we should harm our export industries, the multiplier effect of a decline of income generated in that sector will work in reverse and the adverse indirect effect on employment in Canada may more than offset any direct gain to employment in manufacturing. Eventually, we shall have to face up to what is perhaps the most vital of all requirements for our long-run economic survival: that our so-called "domestic manufacturers" and not merely our traditional exporters, get out and sell at world prices in the world market.

I agree with the general aim and direction of our exchange-rate policy and our monetary policy; and, in what I have said so far, I have stated what I believe to be their impressive claim to our confidence. I shall now proceed to what I consider to be legitimate points of criticism.

Policy Signal Needed

The Governor of the Bank of Canada, in the course of his duties, has on appropriate occasions taken a strong and courageous stand against mounting pressure, and I include here pressure from the private sector of the economy. The soundest ground for the critics of exchange-rate and monetary policy lies, not in second guessing the monetary authorities in the performance of their often unpopular public duty, but in urging that, if their operations were smoother, and especially if the direction of policy were made clear to the banks, the money market, and the public, a number of intermittent crises, and a host of relatively minor upsets in the market, would disappear.

Under the present system, with a floating bank rate completely useless as a signal, the banks are in the position of having to forecast not only the course of the economy — that's our job — but also the course of monetary policy — and that I maintain is not our job. I realize that the same uncertainties regarding the course of economic events and changes in public policy have to be taken into account by the Governor of the Bank of Canada. For this reason all that the banks can realistically hope for is that they may be told, not what monetary policy will be in the future, but what it actually is at the moment. They must be content with "spot" not "futures," so far as monetary policy is concerned. The trouble today is simply that they do not get even this.

What is needed is a clear and unmistakeable sign of central-bank policy. This could take the form of a return to a "fixed" but periodically adjusted bank rate. Or, perhaps a return to a bank rate periodically adjusted by the Bank of Canada is not the best answer. There is no special reason for a rigid adherence to the British, or the American system. In fact there may be room here for a genuine innovation in monetary policy to suit Canadian conditions. But, whatever measure is adopted, the objective should be kept clearly in view: namely, to achieve, by innovation or otherwise, some clear and unmistakeable sign of central-bank policy that can be easily interpreted, not only by the chartered banks but by the rest of the money market and, especially perhaps, by the general public.

Foreign Investment Bogy

I have been trying so far to show that Canada has a much higher degree of independence in monetary policy than one would infer from public discussion to be the general view. Moreover, we can, by effecting certain improvements, some of which I have suggested here, achieve an even greater degree of independence and strength in our monetary system.

Nevertheless, there is a growing doubt in the minds of many, not only concerning our independence in monetary and fiscal policy, but concerning the future of our whole economy on some dread day of reckoning when, it is alleged, Canada will have to pay back an enormous debt largely contracted in the United States. This of course is an over-simplification of the issue and I know of no authority who has stated it in precisely this way; and yet this, I believe, is a fair statement of a widely held impression in the public mind. I should like now to attempt to define just what the problem is, and, more important still, what it is not.

It has been estimated that our "net international indebtedness", excluding offsetting investment by Canadians in foreign countries, was $17 billions by the end of 1960. But of this net figure at least two-thirds is not true debt but net "direct investment," largely in Canadian subsidiaries of U. S. corporations, which will never have to be "paid back". The remainder only, or probably less than one third of the total, is net deadweight debt. This, of course, is a very much smaller burden of true debt than the statistics of our so-called "balance of international indebtedness" seem at first to indicate; and the imminence of the dread day of reckoning, the alleged inevitability of national bankruptcy, must be correspondingly discounted.

"Mature Debtor"

Nevertheless, five or six billions of dollars is still a lot of debt and, as a number of authorities have correctly pointed out, the sum is growing. There will come a time when Canada will rank as a "mature debtor"; that is, she will find that in-payments, including long-term capital flows, will be exceeded by outpayments, including interest, amortization and dividend payments. But the problem some observers see of "providing foreign exchange" to meet this contingency is a spurious one — provided always that we keep our free exchange rate. Except under conditions of uncontrolled inflation, such as that experienced by Germany after the First World War, there can be no shortage of foreign exchange with a floating rate which automatically equates the demand for, and supply of, foreign exchange in the market.

When we become a "mature debtor" in the sense that I have defined the term, all we have to do is to let nature take its course. Our excess demand for U. S. dollars and other foreign currencies will result in an automatic fall in the Canadian dollar, a stimulation of exports and a discouragement of imports. In other words, when we need a surplus on merchandise and service account, because long-term capital inflow is exceeded by miscellaneous foreign payments, we shall undoubtedly get one! The lower exchange value on our dollar, through which this will be brought about, will undoubtedly please our exporters as well as domestic manufacturers subject to import competition. But there will also be sacrifices to be made. Debtors will find that the real burden of their interest and principal payments will rise if payable in foreign currency. But we must assume either that these debtors have accepted a long-term exchange risk with their eyes open—and deserve no sympathy, or have adequately reserved against the risk — and need none. Consumers, too, will be forced to pay higher prices for imports and other commodities, all of which means only that, as in any "mature debtor" economy, real resources have to be devoted to the servicing and repayment of debt. Nevertheless, in retrospect, I believe that we shall find these costs amply offset by the immense contribution of foreign capital over the years to Canada's economic growth.

"Hysteria" Dangerous

It is in the light of these homely truths that I would like to comment on the recent wave of sentiment, amounting almost to hysteria, against the import of foreign capital. Tremendous pressure has been brought on the government to discourage a further inflow, and thus presumably to bring down our exchange rate reduce foreign indebtedness, and in general to solve in one easy stroke of economic nationalism all the problems of trade, employment and debt that currently beset us. Apparently the Government has resisted this pressure, as concessions made in the "baby budget" of last December were relatively mild.

What this pressure group advocates in effect is not to delay or avoid but actually to hasten the arrival of the Day of Judgement which they profess to fear. All the burdens of debt repayment, overestimated as they are, would be on us immediately and without the benefit we could have derived from a continuing flow of long-term foreign capital. Moreover, if the value of the Canadian dollar is reduced through scaring off foreign capital the supply of lendable funds available to Canadians is also reduced, and demand for funds in the Canadian market, by those formerly financing abroad, is correspondingly increased. As a result the capital market will be tighter and interest rates higher than they would be without the restrictions on foreign capital inflow.

To the extent that the higher than normal interest rates attract hot money, or even some long-term capital, the price of the Canadian dollar in the exchange market will be restored and the hoped-for effect on employment nullified. To the extent that higher than normal interest rates fail to attract capital, the effect of the lower exchange rate will be offset by continued tightness in the capital market and continued high interest rates, and again the hoped-for effect on employment may be nullified. In either case, the falling off in the supply of productive long-term capital will ensure that the final result will almost certainly be an actual rise in the level of unemployment in Canada.

The easy way out of this dilemma, according to some, is simply to increase the money supply and reduce the embarrassing interest differential between Canada and the United States. In fact, the inflationary potential of the increase in the money supply required for even temporary success in such an endeavour would so upset the Canadian bond market that the supply of lendable funds based on savings would be drastically reduced and the appropriate rate of interest even higher than at the beginning of the experiment.

The differential in interest rates between Canada and the United States is of long standing and it is no accident. It results from a difference in institutional factors, in the broadest sense of that term, including the power and the will to save and invest and, interdependent with these, the demand for and supply of lendable funds in the two countries. The differential is moderated, but not erased, by capital inflow; it is bound to become wider to the extent that capital inflow is inhibited; and it certainly cannot, in the long run, be erased by monetary policy.

Moreover, if the vote of non-confidence in the Canadian dollar, attendant on crippling legislation against foreign capital, has sufficient impact on investors abroad who are now investing in Canada's future, our dollar may indeed fall — further and more disastrously than was ever intended. Under these conditions, no practical level of interest rates or profits in Canada will be sufficient to overcome the risk barrier thus erected against the foreign capital we so urgently need if we are to achieve high employment and balanced economic growth without inflation.

Problem Political

There is a real problem associated with the large capital inflow of recent years, but it is not that of finding the means of repayment. The real problem is simply that Canadians are becoming increasingly concerned about the growing foreign control over their industry. This is basically a political problem; a problem of maintaining national sovereignty, of being master in our own house.

Because foreign capital is necessarily tied up, sometimes in a rather complicated way, with the trade balance and the exchange rate, capital inflow has become a victim of "guilt by association" and has had to bear the brunt of much obscure criticism, most of which completely misses the point.

Once we have cast out the fear of some imminent Day of Judgement when all our massive (and overstated) debt will become due and payable, the nature of the problem is not only changed but made vastly simpler. The solution is clearly not to "do something" about the trade balance or to frighten foreign capital away, or to hobble it in some manner. In part, of course, the solution is to encourage Canadian saving, and especially Canadian investment in the kind of risk enterprise that is so dependent on foreign capital.

But, at least as important, if we are concerned about the behaviour of foreign-owned subsidiaries—now or in the future —let us secure, through moral suasion or appropriate legislation, the kind of behaviour we want. The foreign parents as well as their Canadian children would probably welcome a clarification of their position and a removal of the uncertainty which now arises from much Canadian grumbling but no clear-cut definition of where they stand and where we stand.

The problem of reconciling Canadian independence with the economic advantages of foreign investment is, like that of independence and economic strength through monetary policy, basically one of opening lines of clear and unambiguous communication.

Foreign owned subsidiaries are corporate Canadian citizens, subject to Canadian law. The government has the power to protect Canadian sovereignty by direct action. As in monetary policy, so in its policy towards international capital, the government, in ensuring a high degree of Canadian economic independence, need not resort to any tinkering with exchange rates, trade balances or capital flows which, even if it achieved its immediate objective in the short run (an extremely doubtful possibility), would do so only at the risk of incidental disaster to Canada's long-run economic development.

Such a failure to maintain, through right policy, both high-level employment and balanced growth will mean the end of all our hopes that Canada might, in this century, achieve her rightful stature as a prosperous and independent member of the family of free nations throughout the world.

General Manager's Address

(Continued from page 32)

ward from the previous year and $7,000,000 transferred earlier in the year from inner reserves resulting in a total of $11,654,777. From this $10,000,000 was transferred to Rest Account, leaving a balance of $1,654,777 in undivided profits. Total income taxes during the year on profits and the transfer from inner reserves were $28,560,000. We should mention that there was a new offer of capital stock last March which was very well received and produced almost $25,000,000 in additional capital funds. This, then, brings the Capital Funds resources, including Rest Account, to $291,862,877 representing shareholders' equity. It is this capital together with improved efficiency in the management of other assets which enabled the bank to increase its loans in the early part of the year despite the fact that at that time there was no increase in the money supply.

SHAREHOLDERS

Although in the report of a year ago there was shown a small decrease in the number of shareholders, the new issue just referred to entered the picture this year and there are now 24,004 persons holding shares of our stock—a gain of 2,109. There are many cases of our having received enthusiastic support in one form or another from our shareholders and we appreciate this in no small degree.

BANK PREMISES

The provision of attractive and improved banking premises continues to receive prominent attention. During the year our 1000th branch was opened at Regina, Albert & 25th Street and at the close of the fiscal year we were operating with a system of 917 branches in Canada and 101 in the non-domestic field—a total of 1,018 which was an increase of 49 since our last report. However, since then and as will be outlined later, our settlement in Cuba has taken place with the result that 24 branches in the non-domestic field were sold. This, then brought the actual total down to 994 but 39 additional new branches are either in preparation or the planning stage at other points in Canada.

Improvement, extension and modernization of owned and leased premises always assume considerable proportions and our projects during the year included the replacement of inadequate or outmoded premises with new modern buildings at Orillia, Windsor; Ottawa, Montreal Road & St. Laurent Boulevard; Montreal, Peel & Sherbrooke and Montreal, Dorchester & Stanley. Our new main office in Ottawa, commenced in 1959, is expected to be ready for occupancy in mid-1961.

The entire programme has involved an increase of approximately $5,207,000 in Bank Premises Account which now stands at $51,133,000 in our balance sheet.

INTERNATIONAL BUSINESS

During the past fiscal year we opened eight new branches outside Canada bringing our total to 101 as of November 30th last. Elimination of our Cuban branches during December, however, reduced the total to 77, but within a short time we shall open our fine new main office building in Kingston, Jamaica, our fifth branch in that city.

As is well recognized the operation of a large chain of branches over a widespread area embracing many countries presents complex problems. The past year has been no exception in this regard, but the development which had the greatest impact on our overseas business occurred in Cuba. Despite these difficulties, however, branches outside Canada continued to operate at good levels and their contribution to overall earnings in 1960 was very important.

We announced our withdrawal from Cuba on December 8th and at that time we were unable to disclose details of the basis on which agreement had been reached with the Cuban authorities. Since that date, there has been much speculation and numerous statements have been made which had no basis in fact. It is therefore only proper that we should now furnish our shareholders with the pertinent facts.

All banks operating in Cuba with the exception only of The Royal Bank of Canada and The Bank of Nova Scotia were nationalized by special decrees in September and October, 1960. Notwithstanding that we were excluded from the original nationalization law, it soon became apparent to us that we could not operate successfully on an independent basis. Therefore negotiations were opened with the competent authorities in Cuba and after a period an arrangement was reached with Banco Nacional de Cuba which is the Cuban Central Bank. Under the legal agreement the Central Bank purchased the assets of The Royal Bank of Canada in Cuba, and on the other side assumed the liabilities of The Royal Bank of Canada in Cuba. The agreement also provided settlement in U. S. dollars for The Royal Bank of Canada's net investment in Cuba. The agreement was signed on December 6th, based on November 30th figures, and the following data illustrate the transaction more clearly.

CUBAN ASSETS PURCHASED

Assets purchased, consisting of loans to Cuban corporations and individuals, investments in bonds and other securities, plus cash and deposits which The Royal Bank of Canada had with other banks, plus sundry items totalled approximately 139 million Cuban pesos. In settlement for these assets the Cuban Central Bank legally assumed all of the liabilities of The Royal Bank of Canada in Cuba, consisting chiefly of deposits of Cuban corporations and individuals carried with branches of The Royal Bank of Canada in Cuba. The difference between our assets of approximately 139,690,000 Cuban pesos and our liabilities of approximately 130,860,000 Cuban pesos—or approximately 8,830,000 Cuban pesos—represented the capital investment of The Royal Bank of Canada in U. S. currency the total amount of our capital at par of exchange; that is, for each Cuban peso of capital investment, one U. S. dollar. There is, however, a relatively small amount of accumulated profits and sundry items included in our investment which is to be recovered over a period of some months, and we are satisfied that the payment will be made as arranged. To provide continuity of management in our former chain of branches, Banco Nacional de Cuba absorbed our entire staff in Cuba but the agreement provided for the repatriation of our non-Cuban staff at our pleasure and their transfers to appointments in Canada or elsewhere are now under way. The agreement did not provide compensation to us for good-will built up over the long period we were in Cuba, but we believe that in the circumstances our shareholders have good reason to feel that their interests were well served by the steps we initiated to bring about this settlement.

This brought to an end our active participation in the commercial banking field in Cuba which commenced almost 62 years ago and in the interim our organization built up an enviable reputation and occupied a pre-eminent position in the business life of Cuba. It was therefore with considerable regret that this old and sentimental tie was severed but we are maintaining an information office and a Special Representative in Havana to assist in Cuban-Canadian trade.

ASSISTANCE NEEDED

Latin America and the Caribbean area generally is still our principal overseas sphere of operation and the wind of change continues to blow over this whole area, in which the populace of the under-developed countries are demanding a share of twentieth century living standards. The most pressing needs are for a more economic utilization of land with more up-to-date agricultural techniques, long-term capital for the development of roads and utilities, better health and sanitation facilities and vocational and technical training. All these must come and if the Western bloc countries do not give immediate assistance to introduce the needed reforms smoothly, they must not be surprised at attempts to achieve them by forceful means and by recourse to other political areas for aid and guidance.

Some indications of awareness of the need for such assistance have been the recent or proposed establishment of several entities all with the aim of assisting in the economic and social development of under-developed Latin American countries. These include:

1. Inter-American Development Bank with a capital of one billion dollars subscribed by 20 American Republics;

2. Banco Regional Centro-Americano with a capital of ten million dollars subscribed by the United States, to operate as an affiliate of the World Bank and provide assistance in the Central American Republics;

3. The programme embodied in the Act of Bogota for which the U. S. Congress authorized the appropriation of 500 million dollars for social improvement and development in Latin America.

In addition, the International Development Association, an affiliate of the World Bank, with an eventual capital of one billion dollars, is dedicated to the promotion of economic development of under-developed countries anywhere and the Development Assistance Group has been formed by ten of the leading industrialized nations to mobilize to better advantage the resources of under-developed countries.

In the area of trade, there have been important developments in the past year. In February last, seven countries, Argentina, Brazil, Chile, Mexico, Paraguay, Peru and Uruguay initiated a free trade area and proposed to eliminate tariff barriers between each other within twelve years. Formal establishment of the plan is slated for early this year. Additionally, five countries in Central America have agreed to eliminate tariff barriers between each other, to establish a common exterior tariff and to take measures to coordinate their industrial development.

TRADE OPPORTUNITIES

These developments face greater problems than their European counterparts inasmuch as there is little basis for intra-regional trade. However, they are indicative of common thinking and each bloc represents increased bargaining power and presents a more attractive picture for industrial development within the scope of a broader market and on a more rational basis than the limited national markets. These may well foreshadow a more inclusive common market agreement for Latin America.

While the first year's operation of the two trading blocs in Europe has brought some increase in Canada's exports to the area, the ultimate effect, as tariff barriers within the areas are gradually lowered, could well be a curtailment of our trade and it is therefore tremendously important that Canada's ties with Latin America in general, and with the two trading blocs in particular, be strengthened. Our economies are diverse and complementary and the Latin American nations are well disposed towards us.

Now that the nine Canadian chartered banks have jointly agreed to form an Export Finance Corporation to assist Canadian exporters to offer terms comparable with those offered by foreign competitors, one of the major obstacles to the further development of Canada's export trade in capital goods has been removed. The ultimate success of the Corporation in placing Canadian exporters in a competitive position in world markets lies in its ability to obtain financing at attractive rates and it is hoped that the Canadian chartered banks will be able to provide a substantial portion of these funds.

As always, we stand ready to assist traders through our International Credit Information Service at Head Office and through our Branch Managers, Special Representatives and Correspondent Bankers throughout the world who are familiar with local conditions and are uniquely equipped to give guidance and counsel to Canadian exporters seeking the best means of access to the particular foreign market concerned.

TRIBUTE TO STAFF

Now I come to the last paragraph of my remarks which it gives me particular pleasure to deliver. It is my privilege and real satisfaction to express a word of tribute to the more than 17,000 men and women who comprise the banking and maintenance staffs and who serve the bank in all of the many areas in which it is represented. This has been another year of great challenge and no words of mine can record adequately the magnificent response of our people everywhere to the heavy and unusual demands made upon them. Nothing could be more obvious than that there is the closest possible relationship between the quality of an organization and the quality of its personnel, and we look to the future with every confidence, secure in the belief there is no better staff than ours. For their great accomplishments during the year just ended, for their unfailing co-operation, and for their constant devotion to the interests of the bank, I can simply say "Heartfelt thanks on behalf of the Executive."

He Teaches the World About Canadian Wheat

By J. K. EDMONDS

WINNIPEG (Staff) — This week Canada begins a new approach to the problem of selling wheat in 1961's highly competitive market.

Cereal chemist G. N. Irvine is now in Manila on marketing business. Irvine is number two man in Canada's respected Grain Research Laboratory.

He's now also number one man in a new body created jointly by the Wheat Board and the Board of Grain Commissioners to help develop new markets for Canadian wheat.

Irvine's job: to help salesmen make the most of the chief sales asset of Canadian wheat: its high and reliable quality.

In traditional markets where bread-eating is a long-established habit and Canadian grading practices are familiar, millers, bakers and nutritionists know what Canadian wheat will do for them.

They know, too, how to use it to get the most out of every bushel.

In new markets, sales may be hampered by ignorance of the qualities of Canadian wheat and the significance of export samples.

In one Mediterranean country, millers found it hard to believe that the grain they received, after ordering from a Canadian export sample, would invariably be better than the sample.

In Iraq, millers used to white wheat just couldn't believe that the dark Canadian kernels would produce more white bread to the bushel.

Even in established markets, technical problems of using wheat arise. One of Irvine's jobs will be to try to spot these before they interfere with sales.

Complaints about rising moisture content of Canadian grain

Wheat Salesman Irvine

(which buyers don't like, because they pay for the water) can be dealt with by changing handling methods or farm practices back home.

Automated milling equipment — which demands grain with a high and even protein content — may make better information about protein levels necessary.

New uses — for new types of bread in markets with unfamiliar tastes — may make it desirable to develop or license new varieties of grain.

"What we have to do," Irvine says, "is find out what the wheat is used for in the country we want to sell to; find out how it is milled, and then see if Canadian wheat offers any advantages to the user.

"If it does, we have to show him what those advantages are — more buns per sack of flour, better nutrition in a protein-deficient country, or any of a dozen other qualities we can offer.

"Some markets we should write off, because we have no business there in the first place, and sales efforts are a waste of time.

"But in general, any market where people use leavened bread is a promising market for us.

"And in some 'fringe' markets — which could be the big markets of the future — we know nothing at all about the technical requirements the grain has to meet and the tastes it has to cater to."

This approach to wheat sales is no novelty to Irvine.

He has been engaged in applied wheat research since 1955, and has visited mills, bakeries, macaroni factories, universities and research units in the major wheat markets of the world during the past five years.

A believer in talking the other man's language — technical and cultural — he has boned up French, German and a smattering of other tongues.

During the previous 10 years, Irvine worked solely on Durum wheat, the subject of his Ph.D. thesis at McGill.

Sales of Durum are now expanding the way Canadians wish all wheat sales would grow.

Irvine recoils from the suggestion that his work is responsible for the sales curve. But it is true that Canada had the kind of wheat the market wanted, when it was wanted, and that expanding sales have followed his tours of macaroni factories.

Canada's competitors engage in this kind of technical sales promotion, too — particularly the U. S., which uses foreign funds acquired through soft-currency sales to support technical assistance to millers and bakers.

The U. S. also provides grain in quantity to prospective users who want to test it.

The new Canadian marketing unit will be small — the grain lab will still do the technical work required, and there'll be no duplication of the ordinary processes of marketing grain.

Staff, apart from Irvine, will not be cereal chemists — "just multilingual and intelligent".

The links with both Wheat Board and Grain Commissioners will enable the group to tap existing resources without red tape.

There's a certain element of "put-up-or-shut-up" in Irvine's new job.

He's the scientist who ruffled a few feathers at an economists' meeting in Saskatoon two years ago by pointing out that the physical scientists had discovered how to produce the best wheat in the world at lowest cost and had evolved the world's slickest, cheapest handling method, but economists hadn't found a method of getting it to the hungry consumer.

There may be many an economist watching with interest to see how a chemist tackles a marketing job.

Irvine has the advantage of being a cereal chemist who is fascinated by wheat. He can tell by taste and texture what variety went into a slice of bread.

At an international conference of cereal chemists some years ago he was the only scientist with a perfect score on this bit of technical razzle-dazzle. And he has been known to grow wheat in his back yard.

He also has a well-developed bump of curiosity.

This last led to solution of a marketing problem facing Canadian wheat in Germany, when Russian wheat of unexpectedly high quality began to come into the market.

Samples sent to the Grain Lab by trade commissioners gave no clues to the mystery.

But on Irvine's next visit to Berlin, he played a hunch and found that all the millers in West Germany thought Russian wheat was fine, and all the millers in East Germany thought it was terrible.

It turned out that the wheat was being shipped into East Germany, hand-picked, like samples for a Royal Winter Fair, and then re-shipped — the hand-picked wheat to West Germany, the leavings to East German mills.

This kind of on-the-spot enquiry, plus technical research, will be the grist for the Department of Agriculture's new sales promotion mill.

Durum Sales

Export clearances crop years ending Aug. 31, in thousands of bushels

1946	4,369
1947	6,058
1948	7,429
1949	11,049
1950	9,736
1951	12,065
1952	10,691
*1953	7,841
*1954	5,956
*1955	3,964
1956	13,466
1957	12,064
1958	12,458
1959	16,081
1960	23,840

Source: Canadian Wheat Board.
*Crop affected by 15 B rust.

Planning Aids Offered by CAs

Planning aids for business are offered in three booklets published this month by the Canadian Institute of Chartered Accountants:

● **Management Planning** is designed as a sequel to The Function of Management, published by CICA last year. Its 10 chapters point the way to a better understanding of organization for planning, market and sales forecasting, manpower, materials, production facilities, product and financial planning (56 pp., $2).

● **Principles of Estate Planning** has chapters by eight experts, describing the function of a trust, the use of life insurance, tax effect on lifetime gifts, and the corporation in estate planning. The brochure explains the work of the lawyer, accountant, life underwriter and trust officer in estate planning (58 pp., $2).

● **Audit Reports—Their Nature and Significance** discusses the nature of the financial statements on which an auditor expresses an opinion, describes the procedures used by the auditor in carrying out his examination, and outlines other services offered by the chartered accountant in public practice (32 pp., $1).

The booklets are available from CICA, 69 Bloor St. E., Toronto 5.

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We Could Take Atomic Blow, Most of Us Would Survive

By TERENCE ROBERTSON

OTTAWA (Staff) — Buried in the catacombs of National Defence headquarters in Ottawa are two sound-proofed rooms.

In one is a battery of teletype machines which links Canadian provincial defence centres with Ottawa and NORAD bases in the U. S.

In the other, where weather and attack plots are related on huge wall maps, is a panel to which two tiny keys are taped.

When they are ripped from the panel it means that an enemy attack has been intercepted by radar, and the Prime Minister has authorized a national warning.

WRINCH

All defence forces not actively engaged in repelling an attack must be . . . ready to take active measures to assist in national survival.

This room, manned round the clock, and always in the charge of an officer of colonel's rank or above, is the nerve centre of home defence.

This week I watched a simulated attack exercise.

Three men share responsibility for planning "national survival" under the general authority of the Prime Minister. They are:

- **R. B. Curry,** director of the Privy Council's Emergency Measures Organization;
- **Major - General Arthur Wrinch,** general officer commanding, National Survival; and
- **Captain Eric Brand,** director of Marine Operations for the Department of Transport.

This is how their organizations work to ensure Canada's survival.

Emergency Measures Organization

EMO was set up in June, 1957, with five major responsibilities:

- Maintenance of the War Book — a continuing record of all federal and provincial planning for war emergencies.
- Planning for the continuity of government.
- Planning for the control of communications across Canada.
- Planning for the control of road and rail transport.
- Responsibility for civilian emergency planning inside the structure of NATO.

Under EMO's direction, emergency planning is now underway in all major federal departments. EMO regional offices in provincial capitals relate this federal activity to similar planning in provincial departments.

All of this is documented in the War Book which includes such departmental responsibilities as:

Transport — to assume with Army assistance control of all road and rail transport for use as directed by EMO.

National Defence — to delegate to the Army responsibility for complete public warning system, radiation monitoring and prediction of fallout, provision of emergency governmental communications, task of re-entry into stricken areas and support of local authorities in maintenance of law and order.

National Health and Welfare — supply general guidance and policy development for emergency health and welfare services to be carried out by the provinces.

Justice — responsibility for the use of the RCMP in the preservation of law and order, and certain aspects of traffic control.

Labor — federal guidance to provinces on manpower requirements for industrial war effort, for supply services, for rebuilding essential public works and for transport.

BRAND

"All we can do . . . is to order all ships into the middle of the lakes."

"We are planning against conditions which apply to today's world, not yesterday's," Curry told me.

"There is a great deal of fiction, a great deal of fantasy and a great deal of nonsense talked in Canada about the nature of a nuclear attack.

"We base all our programs solely upon facts. We know, for instance, that a five-megaton nuclear bomb delivers a punch comparable to five million tons of TNT.

"Its area of destruction would occupy at the most between one and two hundred square miles with heaviest damage — perhaps total — for several square miles about ground-zero.

"It would have a decreasing effect to the outer limit of destruction, some 15 miles from the centre.

"The delivery of such weapons over a dozen of our major cities could cause up to three million casualties — if they were not prepared beforehand. This condition represents no warning and total lack of defence planning and is, therefore, the grimmest situation.

"It is, however, highly unlikely that an enemy would mount so heavy an assault on Canadian cities or that, if he did, he would succeed in hitting all of them to maximum effect.

"With proper measures taken and with adequate warning, there is no reason to suppose that our people would be annihilated.

"Canada could take the blow — and recover."

Army Division of National Survival

The Army's directorate of survival operations is under the command of Major - General Arthur E. Wrinch.

Under powers delegated to the Army in 1959, General Wrinch is responsible for:

- Provision and operation of a system to warn the public of the imminence of attack.
- Determining the location of a nuclear explosion, the patterns of fallout and for warning the public of fallout areas.
- Re-entry into bombed areas contaminated by serious radioactive fallout, performing rescue operations and evacuating the injured.
- Direction of police and fire services in seriously damaged centres.
- Direction of municipal and other services for the maintenance of water and sewer systems in damaged or contaminated areas.
- Emergency support to provincial and municipal authorities in maintenance of law and order, and in dealing with panic or the breakdown of authority.
- Operation of emergency communications facilities.

"What this really means," said General Wrinch, "is that all defence forces not actively engaged in repelling an attack must be trained and ready to take active measures to assist in national survival."

Army organization for survival is based on three basic assumptions.

▸ Canada cannot rely on strategic warning of war. In the past, governments, through diplomatic or intelligence channels, could count on at least several days, perhaps weeks, of warning.

Under present conditions, **there is little likelihood of an enemy tipping his hand in advance.**

▸ Primary threat at present is an attack by manned bombers armed with nuclear weapons. Such an attack would be detected up to three hours before reaching targets.

▸ Within the next few years — after 1965 — the primary threat will change to a missile attack with nuclear warheads. The probable tactical warning time would then be reduced from three hours to 15 minutes or even less.

The national warning system is therefore designed so that it can be effective under existing conditions, but be readily switched to cope with the type of missile attack expected in the future.

First warning of an attack on the North American continent will be transmitted from the DEW Line to NORAD headquarters at Colorado Springs.

NORAD is the only source of complete early warning information. Yet for reasons unexplained, the Canadian Army has not yet occupied a seat there.

Senior officers of the U. S. Office of Civil Defence Mobilization are on constant duty at Colorado Springs to send out a general warning.

There is provision for Canadian representatives to sit alongside them, but so far none have been sent.

"We hope to rectify this situation in the near future," General Wrinch told me.

Once the DEW Line reports enemy aircraft approaching the Continent, NORAD alerts the regional commands from where the Canadian contingents keep Ottawa informed.

The federal warning room below the Department of Defence turns the first switch to request the Prime Minister's permission to issue a general warning.

Then the warning is issued to siren control circuits which fan out through all populated areas of the country. Other warning systems connect with television stations, the CBC network and individual radio stations.

CURRY

Two keys ripped from a panel signal all-out action.

One wall of the federal warning room is covered with a map of Canada on which the upper atmosphere winds are constantly plotted. Flexible, bulbous lines around the major cities indicate the limits of radioactive fallout that can be expected from 10-megaton or five-megaton bombs.

The map also includes the northern U. S. states because, said General Wrinch, "the attackers may cross over Canada and drop their loads on U. S. targets.

"Our close proximity to the probable major target areas in the U. S. constitutes a serious fallout hazard to Canada. So we are plotting winds over these U. S. areas continuously."

Included in the underground systems to be constructed throughout the provinces will be Nuclear Detonation Reporting Posts — three for every major city. These posts will locate the detonation, determine the size of the bomb, the time of explosion and height of the burst.

Their information will be fed to regional Nuclear Analysis and Fallout Prediction Centres set up inside the provincial warning systems.

The results of their scientific analyses will be broadcast to the public.

The next stage is to measure the actual fallout as it spreads downwind from the point of burst.

Explaining his plans to cope with this problem, General Wrinch said:

"We need fallout reporting posts throughout our populated areas about 45 mi. apart east and west and 15 mi apart north and south.

"The system will involve some 2,000 stations across Canada."

By far the most dangerous responsibility of General Wrinch's organization is that of re-entry into a stricken city.

If a five-megaton bomb were to be detonated at a height of 2,500 ft. over Ottawa when a 15 mph wind was blowing out of the southwest, the fireball would be about two miles across, flattened at the bottom and would just touch the ground.

The three immediate effects would be blast, heat and radiation.

This is what would happen.

Blast would range from complete and utter destruction at ground-zero to minor damage at a radius of 12-15 mi.

Heat would cause widespread fires because of damage to gas mains, gas station pumps, domestic heating appliances, electrical short circuits and so on.

Radiation would result in lethal doses only to a distance of two miles from ground-zero. Everyone inside this radius would have been killed anyway by blast and heat.

Major concern about radiation is therefore in the fallout. In a 15 mph wind, this could travel in an elongated pattern over an area 250 mi. long and 60 mi. wide.

But as it moves only at the rate of the wind, there would be several hours for people downwind to take cover.

After the Army moved in to such a stricken city it would be primarily concerned with evacuating the wounded, administering first aid, fighting fires and organizing the movement of people to safe areas.

"This is more or less the general idea of what we would do," said General Wrinch.

"But I would like to stress that while there would be many casualties in the event of an attack on our major cities, there would also be many who could be rescued.

"Fallout shelters, if built, could save millions of lives."

Directorate of Marine Operations

The principal responsibility of Canada's maritime organization is to provide shelter for ships at sea and on the Great Lakes.

Captain Eric S. Brand, director of Marine operations for the Department of Transport, told me:

"Our task, once the general warning has been issued, is to arrange for the reception of merchant ships within about 1,000 mi. of our shores.

"The moment their masters receive radioed warning, they will alter course for our Atlantic and Pacific coasts.

"Unlike the U. S., we have harbors, coves and all sorts of bays on the Atlantic coast.

"We think they could provide shelter for at least 400 ships. We could take another 200 on the west coast.

"Once they are gathered together my organization would assess the cargoes they already carried against the need to send particular supplies or troops abroad."

Great Lakes shipping presents a vastly different picture.

"All we can do here," said Captain Brand, "is to order all ships into the middle of the lakes. If a bomb falls south of the lakes we would herd them into the northern sectors; if it fell on Toronto, say, then we would send them to the U. S. side."

All officials I met in Ottawa agreed on one point . . . that in the even of war the Canada-U. S. border would be abandoned.

"There is almost no likelihood of Canadians seeking safety in the U. S." I was told.

"But there is some probability that U. S. citizens, if they are bombed first, will panic across the border into Canada.

"In that event, the border as we know it today, manned by customs and immigration officials, would have to go."

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SELECTED GROWTH STOCKS

This is an exclusive series on 26 Selected Growth Stocks chosen by one of the continent's most prominent and successful investment advisers. Each company will be reviewed here quarterly. This series does not constitute a recommendation to buy.

Cassiar Sales, Income Higher Deferred Tax Debit Pares Net

- Satisfactory outlook for future sales . . .
- Simpson's sales much better in December . . .

By NESTOR

CASSIAR ASBESTOS CORP. hiked sales 9% and total income 7% in latest fiscal year for a net profit of $2,353,586 (59c share) at Sept. 30/60.

Although operating profit of $4,851,775 is highest in the company's six years of operations, profits fell below last year's net of 77c share due to a deferred tax debit against current earnings.

This tax deduction is $1,060,000. Without setting aside this amount, profits would have been $4.8 million or 86c share.

Outlook for future sales "is satisfactory", president F. M. Connell says. Company increased dividend payout by 10c for a total return of 60c a share.

Company has not announced grade and tonnage of reserves outlined as a result of completion of /60 development work. However, it is indicated reserves are adequate for at least 40 years at a milling rate of over 1,000 tons daily. A year ago reserves were estimated at eight million tons.

Some five million tons of high grade ore have been outlined at Cassiar's Clinton Creek property.

No further work has taken place at the Letain property of subsidiary **Kutcho Creek Asbestos Co.** Litigation is still in process over the original option agreement for this property (**FP**, Jan. 7).

Meanwhile, company spent $87,999 on other exploration in the year, acquired claims for further examination but discovered no deposits of interest.

Of $1.5 million expenses on plant and equipment, about 11% was required to complete expansion of the mill to capacity of 1,500 tons daily, a 50% increase in output ability.

Cassiar does not state actual sales for fiscal 1960. However, based on relation of sales to operating profit in earlier years, 1960 sales were probably in the $11 million range.

At recent market price of $13¾, common stock is 53% above UV level ($9), could rise 31% before reaching OV level ($18). Price is 23.3 times /60 earnings of 59c per share. Yield is 4.36% at indicated annual dividend rate of 60c per share. Price in /60-/61 has ranged between a high of $13¾, a low of $10⅞.

* * *

SIMPSON'S LTD. sales in December were considerably better than a year earlier because there were two extra shopping days before Christmas.

These two extra days in the important pre-Christmas period resulted in a 47.8% jump in Canadian department store sales over the same week a year earlier. In the preceding week, sales showed a 6.4% year-to-year gain.

October department store sales (latest available) were 0.1% higher than in Oct./59. For the first 10 months of last year, sales were up 1.3%.

It is expected that sales volume for full year /60 in both Simpson's and **Simpsons-Sears** will show a modest increase over year before. Simpson's 1959 sales totaled $156 million, while Simpsons-Sears' volume was $228.3 million.

Profits, however, are likely to be slightly lower. Profit margins continue to edge lower in some lines and both operations are subject to constant pressure for higher costs of all kinds.

Simpson's earned $1.44 per share in /59. Including company's share of earnings of 50%-owned Simpsons-Sears, net per share can be calculated at $2.36.

Simpson's profit as a percentage of sales rose from 2.4% in /56 to 3.1% in /58, then slipped to 2.9% in /59. For Simpsons-Sears, the margin jumped from 1.6% in /57 to nearly 3% the following year, then fell back to 2.7% in /59.

On the outlook for /61, E. G. Burton, chairman and president of Simpson's, said recently:

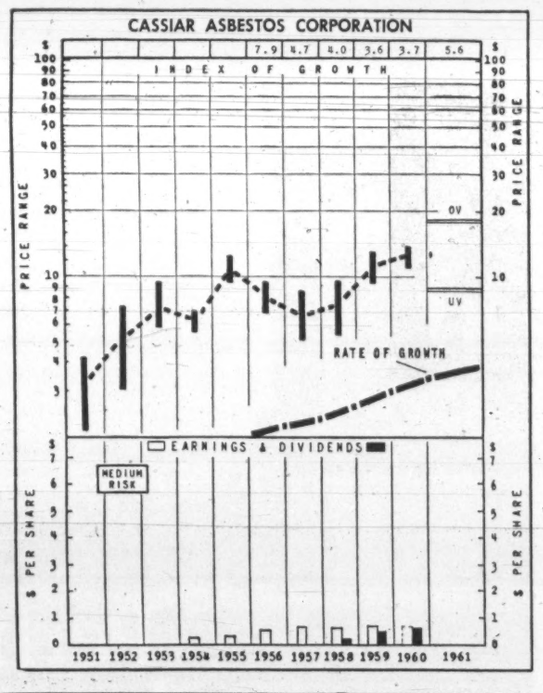
"Current business phase will no doubt continue for some months, but it is probable that there will be renewed expansion in the economy during the latter part of /61. . . . There is every reason to expect a gradual strengthening in demand for general merchandise during the coming year."

Weather conditions are an important factor in first quarter sales. Last year, severe winter conditions lasted until late in March, and in addition, Easter fell in mid-April.

First quarter sales this year will have the benefit of Easter shopping business (Good Friday is on March 31), but second quarter will suffer.

At recent market price of $30⅜, common stock is 32% above UV level ($23), could rise 58% before reaching OV level ($48). Price is 21.1 times /59 earnings of $1.44 per share. If Simpsons-Sears is included, price is 12.9 times /59 earnings of $2.36 per share. Yield is 2.30% at indicated annual dividend rate of 70c per share. Price in /60-/61 has ranged between a high of $33⅞, a low of $25⅞.

CASSIAR ASBESTOS CORPORATION



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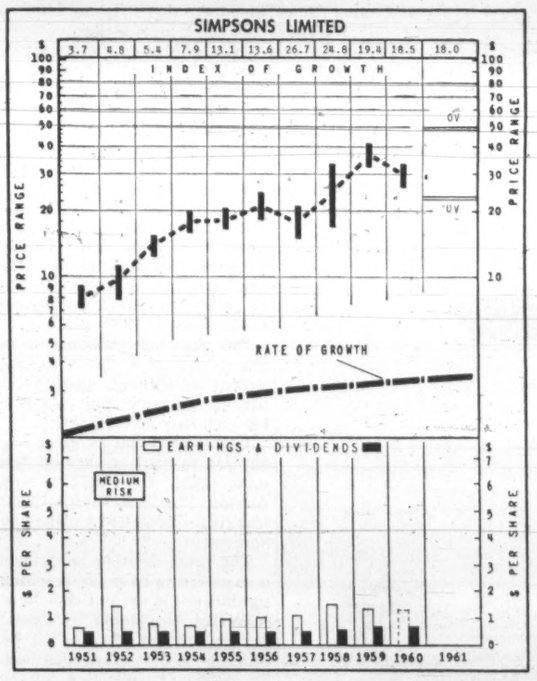

How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure at 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in special article in FP Jan. 10, 1953. A limited number of reprints are available on request.*

Here Are Bank of Montreal New Staff Appointments

G. J. B. SABOURIN, assistant general manager's department, Toronto, to be an inspector's assistant, head office, resident in Toronto.

J. C. L. N. LEDUC, head office, to be assistant manager at Alma, Que.

R. A. STUEWE, Saint John, N.B., to be manager at Botwood, Nfld.

H. P. E. TARTE, North End, St. Jerome, Que., to be manager of a new branch soon to be opened at Chateauguay Centre, Que.

W. C. I. SNOW, Deer Lake, Nfld., to be assistant accountant, Corner Brook, Nfld.

E. N. LOCKE, Corner Brook, Nfld., to be accountant, Grand Falls, Nfld.

J. A. B. OUELLETTE, Matane, Que., to be accountant, Lachute, Que.

J. R. J. G. CROTEAU, Chicoutimi, Que., to be accountant, Matane, Que.

G. M. DECHENE, Alma, Que., to be manager, Naudville, Que.

J. P. A. ROUSSEAU, Lachute, Que., to be accountant-in-charge of the subagency to Sherbrooke branch soon to be opened at King street shopping centre, Sherbrooke.

J. H. M. R. LABELLE, Naudville, Que., to be manager, North End, St. Jerome, Que.

G. W. BUTT, Grand Falls, Nfld., to be accountant, Saint John, N.B.

D. R. FERGUSON, assistant general manager's department, Toronto, to be instructor, Toronto.

E. M. CHAMBERS, Spadina Ave. and Adelaide St., Toronto, to be instructor, Toronto.

T. W. WRIGHT, Alliston, Ont., to be assistant accountant at that branch.

J. D. McILQUHAM, Burlington, Ont., to be accountant at that branch.

J. A. C. BERGEVIN, LaSalle, Que., to be accountant at that branch.

C. H. WOOD, Martin Grove Gardens, Weston, Ont., to be accountant, Bloor St. and Windermere Ave., Toronto.

E. A. SCOTT, Bloor St. and Windermere Ave., Toronto, to be accountant, Spadina Ave. and Adelaide St., Toronto.

R. O. HUNT, Vancouver, to be deputy manager, Winnipeg.

W. M. M. SEMPLE, Prescott, Ont., to be manager at Fort Erie, Ont.

N. A. UNDERWOOD, assistant general manager's department, Winnipeg, to be manager at Gladstone, Man.

H. S. C. DeBALINHARD, assistant general manager's department, Winnipeg, to be inspector's assistant general manager's department, Winnipeg.

C. L. LINDSAY, Valois, Que., to be manager at a new branch at Montreal International Airport, Dorval.

E. C. J. WILSON, Sarnia, Ont., to be manager at Fredericton, N.B.

J. H. M. R. PAGE, head office, to be manager at Laprairie, Que.

H. N. POULIN, Laprairie, Que., to be manager of a new branch soon to be opened at de Salaberry St. and Taylor Boulevard, Montreal.

J. W. CRAWFORD, head office, to be an assistant manager at Ontario St. and St. Lawrence Boulevard, Montreal.

R. G. CARSTAIRS, Snowdon-Hampstead, Montreal, to be accountant at that branch.

G. D. EDWARDS, Girouard and Monkland Avenues, Montreal, to be assistant accountant at Snowdon-Hampstead, Montreal.

R. J. MITTON, Lake Shore and Park Lawn Roads, Toronto, to be manager at Sarnia, Ont.

W. H. BERSCHT, Simcoe, Ont., to be manager at Lake Shore and Park Lawn Roads, Toronto.

J. R. ANDERSON, Ontario St. and St. Lawrence Boulevard, Montreal, to be manager at Valois, Que.

J. H. THOMSON, Vancouver, to be assistant manager there.

W. McDONNELL, Vancouver, to be an assistant manager there.

T. G. TREHEARNE, Vancouver, to be an assistant manager there.

D. R. ORAM, Whalley, B.C., to be accountant at 4th Avenue and Alma Road, Vancouver.

J. F. DeBOER, 4th Ave. and Alma Rd., Vancouver, to be assistant accountant at 10th Ave. and Granville St. Vancouver.

R. F. GUTHRIE, assistant general manager's department, Vancouver, to be an assistant superintendent, British Columbia division, assistant general manager's department, Vancouver.

B. SIMMONS, Fort Rouge, Winnipeg, to be inspector assistant general manager's department, Winnipeg.

J. E. W. REYNOLDS, Winnipeg, to be manager, mortgage department, assistant general manager's department, Winnipeg.

G. J. P. LEONARD, Shawinigan, Que., to be accountant at Edmundston, N.B.

J. J. P. BOIVIN, Ste. Agathe des Monts, Que., to be accountant at Lachute, Que.

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Can You Collect Strike Damages?

By NORTON ANDERSON

If you employ 50 workers or 5,000, here are some facts about your chances, as an employer, of collecting damages from a strike.

First of all, there are some points of labor law you should study.

For example, it has never been definitely determined in Canadian courts if the employer is entitled to damages suffered because a provincial labor relations act has been broken.

It may be possible here to rely on the legal doctrine of conspiracy to injure.

Of course the point has come up obliquely in other court cases, but it has never been isolated as an issue.

This does not mean you have no recourse when the strike proves to be illegal.

Where violence, mass picketing, or other illegal actions are involved, you may collect damages for property destruction and loss of business.

But even this is not clear in all parts of Canada.

Labor law experts tell **FP**: "It is not clear in some Canadian provinces whether a labor union can be sued as an entity."

If a union is not a legal entity, should you have a strike where illegal actions cause damages, you might end up suing individual members whose finances are extremely limited.

The lawyers also say: "The mere fact of a strike does not mean a union is liable."

The law is very complicated in Ontario, for example.

Ontario enacted in 1944 the Rights of Labour Act, which says in part:

(A labor union) "shall not be made a party to any action in any court unless it may so be made a party irrespective of any of the provisions of this Act, or of the Labour Relations Act."

And here is the stickler: Unless you can find a basis of making the union a party, it appears likely unions in Ontario cannot be sued as an entity.

Why?

There has been no decisive test in the Ontario courts since enactment of the Labour Relations Act in 1950.

British Columbia has, however, decided otherwise.

The province passed the Trade Unions Act in 1959, called by some prominent labor lawyers "a pernicious piece of legislation."

This Act reverses the burden of proof.

In British Columbia a labor union, unless it successfully defends itself, is liable for the actions of all its members — "even if the member is a crackpot", says one law authority.

This legislation has not been tested in the Supreme Court of Canada.

Meanwhile in Quebec, the Superior Court at Quebec City is hearing the $5.2 million damage suit by **Gaspé Copper Mines Ltd.**, subsidiary of **Noranda Mines Ltd.**, against the United Steel Workers of America, Pittsburgh headquarters (**FP**, Dec. 17).

The Noranda case brings up a number of new points of labor law.

One of these (for Quebec) is whether a labor union is liable for the actions of its members.

But British Columbia has already established this point.

In the famous Therrien case, the Superior Court of British Columbia held that in British Columbia a trade union can be made liable as an entity for the authorized acts of its members.

So it depends, at the moment, on where your company is located. Then there's another thing to watch.

Lawyers say it is this: At what time does it become appropriate to strike?

Canada's labor relations laws now limit strikes on a "timeliness basis."

Once the certification and conciliation procedure has been exhausted, there is nothing to prevent a legal strike.

It is a different matter during the life of a collective agreement between the employer and the labor union.

If any breach of the agreement is claimed during the life of the agreement, an arbitrator must be called in.

This month the Supreme Court of Ontario is reviewing a decision of Prof. Bora Laskin, University of Toronto Law Faculty member, who was appointed arbitrator in the **Polymer Corp.**, Sarnia, 1958 walkout.

The Polymer walkout occurred in face of a clause barring strikes or lockouts during the life of the agreement between the company and the union.

Laskin held that Polymer was entitled to damages against the union (Oil, Chemical and Atomic Workers International Union) for breach of a collective agreement.

The court decision in Ontario is expected to have far-reaching significance in the entire field of collective bargaining by determining whether damages will be added by law to other measures for enforcing collective agreements.

The union is arguing that the collective agreement made no provisions for assessing damages and that Laskin, as arbitrator, had exceeded his scope under the contract in ruling that Polymer was entitled to compensation.

Laskin said collective agreements would be undermined unless there is some redress for a violation.

David Lewis, counsel for the union, said Laskin was the only arbitrator in Ontario who has awarded damages under circumstances similar to those before the court.

He was referring to an arbitration award made by Laskin in 1951.

Laskin awarded damages of more than $9,000 to **Canadian General Electric Co.** against United Electrical Workers.

His ruling then was not contested.

The Polymer contest before the court now illustrates what happens when the decision of an arbitrator is questioned.

Arbitration Boards, lawyers say, are considered to be statutory tribunals.

A hearing such as this before the Supreme Court of Ontario is really a review of the proceedings by which the fined party tries to quash the decision of the statutory tribunal because of alleged excess or want of jurisdiction.

This means, lawyers say, that an arbitrator's decisions cannot be appealed on the facts, but rather reviewed and reversed on questions of jurisdiction and of law.

Four Agencies Enforce Laws

Four agencies are involved in Canada in the enforcement of labor relations legislation.

● **Labor Relations Boards** — Employers and certified unions are required to bargain collectively. The boards supervise certifications, and police unfair practices.

● **Boards of Conciliation** — They come in if the employer and the union fail to conclude a collective agreement. Provincial conciliators try to smooth the path of negotiations and persuade the parties to enter into a collective agreement.

The conciliators provide a cooling-off period. Seven days after the board has failed to bring about an agreement, workers are free to go on strike.

● **Boards of Arbitration** — Prescribed where concluded agreements are violated. They operate only under terms of the collective agreement, and deal with disputes about interpretation. They may go into the "pros and cons" of damages.

● **Courts of Law** — Deal with the general field of tort (any wrongful act, not involving a breach of contract, for which a civil action is indicated) or criminal liability.

We're Still a Tax Haven For International Firms

Canada remains a "profit sanctuary" for U. S. business, despite the new 15% rate of withholding tax on dividends paid to non-residents.

One reason: Canada levies no tax on dividends received by a Canadian company from a foreign corporation owned 25% or more by the Canadian firm.

Canada is one of 15 countries whose tax laws are discussed in a newly published study, Profit Sanctuaries And How They Are Used (published by **Business International**, 200 Park Ave. S., New York 3, at $30).

The study points to the risk, to non-resident companies in Canada, of action by the U. S. Treasury against "foreign base" companies.

But a number of U. S. companies in recent years have successfully and advantageously established Canadian subsidiaries that qualify as non-resident firms.

The Canadian subsidiary has then, in turn, set up a branch in Nassau, Switzerland, or other "profit sanctuary," to carry on operations — trading, licensing, managing holdings, and the like.

Another advantage to a U. S. parent which establishes a Canadian subsidiary as a holding firm, the study points out, is the absence of capital gains tax in Canada.

"Proceeds accruing to a Canadian firm from the sale of its foreign assets have, in at least one instance, been exempted entirely from Canadian tax, since they were viewed as capital," it states.

"This insures that, should war or economic necessity require the liquidation of the foreign assets of a Canadian profit sanctuary firm, the proceeds of such liquidation could 'flow north' to Canada untaxed in that country."

Named in a selected list of U. S. companies that use Canada as a profit sanctuary are:

Carrier, Chesebrough-Pond's, Crucible Steel, Great Lakes Carbon, Corning Glass, Pepsi-Cola, Victor Adding Machine, Whirlpool.

For the same reason that Canada is an attractive profit sanctuary to some U. S. firms, so other countries are to Canadian business.

A Canadian firm need not be U. S. controlled, of course, to enjoy freedom from tax on dividends paid to it by a foreign subsidiary of which it owns at least 25% of the equity.

Among the profit sanctuaries described in the Business International study are those that levy no income tax, such as Bahamas and Bermuda; those that do not tax income derived outside their borders, such as Panama, Venezuela, Liberia, Jamaica and the Netherlands; and those that levy no income tax on holding companies, such as Switzerland, Liechtenstein, and Luxembourg.

Other sanctuaries discussed in the book are Belgium, Hong Kong, the Netherlands Antilles and Puerto Rico.

The book includes a tentative forecast on how the much deferred and altered Boggs Bill (which has still not become law in the U. S.) might benefit U. S. companies by permitting them to set up "international base company subsidiaries" in the U. S. itself.

ANNOUNCEMENT

EXECUTIVE APPOINTMENTS AT CANADA LIFE

J. M. GOODWIN — A. F. H. YOUNG — J. A. MORROW

The Canada Life Assurance Company announces that the following have become Officers of the Company: J. M. Goodwin and A. F. H. Young have each been appointed an Assistant Accounting Officer. J. A. Morrow is now Advertising Executive.

Studebaker Expands, Parts Plant Pending

By RALPH YOUNG

HAMILTON (Staff) — Provision for expansion was made by **Studebaker-Packard of Canada Ltd.** this week, when it purchased four acres of land from **Canadian National Railways.**

The land lies between two parcels owned by S-P, the larger occupied by the plant, on Ferrie St. in Hamilton, and the smaller used for an employees' parking lot.

With the new acquisition, company will own approximately 15 acres.

Plan is to provide a separate building for warehousing parts and accessories.

This will free a large area within the plant, to permit straightening of assembly lines and provide additional space for production materials.

These measures will permit a moderate increase in production.

"The Canadian company has ample funds to provide for this expansion without calling on the parent corporation," Gordon E. Grundy, president, says.

"We have made a profit in each recent year, including last year despite a downturn in sales. The U. S. corporation has allowed us to retain that money for our use here."

The Canadian company has just embarked on an intensive campaign of sales training for its dealers' personnel.

"Our objective is to man our dealerships with professional salesmen," Grundy said.

The whole marketing program is being strengthened, with attention to new approaches to advertising, he added.

Nov./60 sales were the company's highest for that month in six years, and December sales also were maintained at a good level, he said.

"This indicates a good reception of our 1961 models, especially the Lark Six with its new engine and improved steering and other features."

New Firm Pledged To Help Inventors

A company that says it intends to help private inventors to develop their ideas has been incorporated in Vancouver under the name **Modern Developments & Research Ltd.**

The company will provide financial and sales assistance to inventors whose work might be otherwise curtailed through lack of funds or marketing experience.

Founder and president is Allen G. Hardie. Vice-president is Stephen De Keseredy. Both are from Vancouver, as are the directors — J. Ferguson, D. West, G. Gunderson, J. Croft and F. Davis.

Sask. Power Corp. Buys More Gas

Estimated purchases of natural gas by the **Saskatchewan Power Corp.** in 1960 have been set at 31,074,396 mcf (29,454,207 mcf in '59).

With the August '59 purchase of the Hatton gas field reserves the corporation now holds around one trillion (one million million) cubic feet of gas in place in the whole of the Many Islands-Hatton fields.

With establishment of new gas storage reservoirs in partially depleted gas fields some 3,000-4,000 million cu. ft. can now be stored and about 25 million cu. ft. withdrawn daily in peak periods.

Today, STIRRING the air IS NOT ENOUGH!

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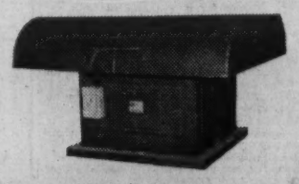

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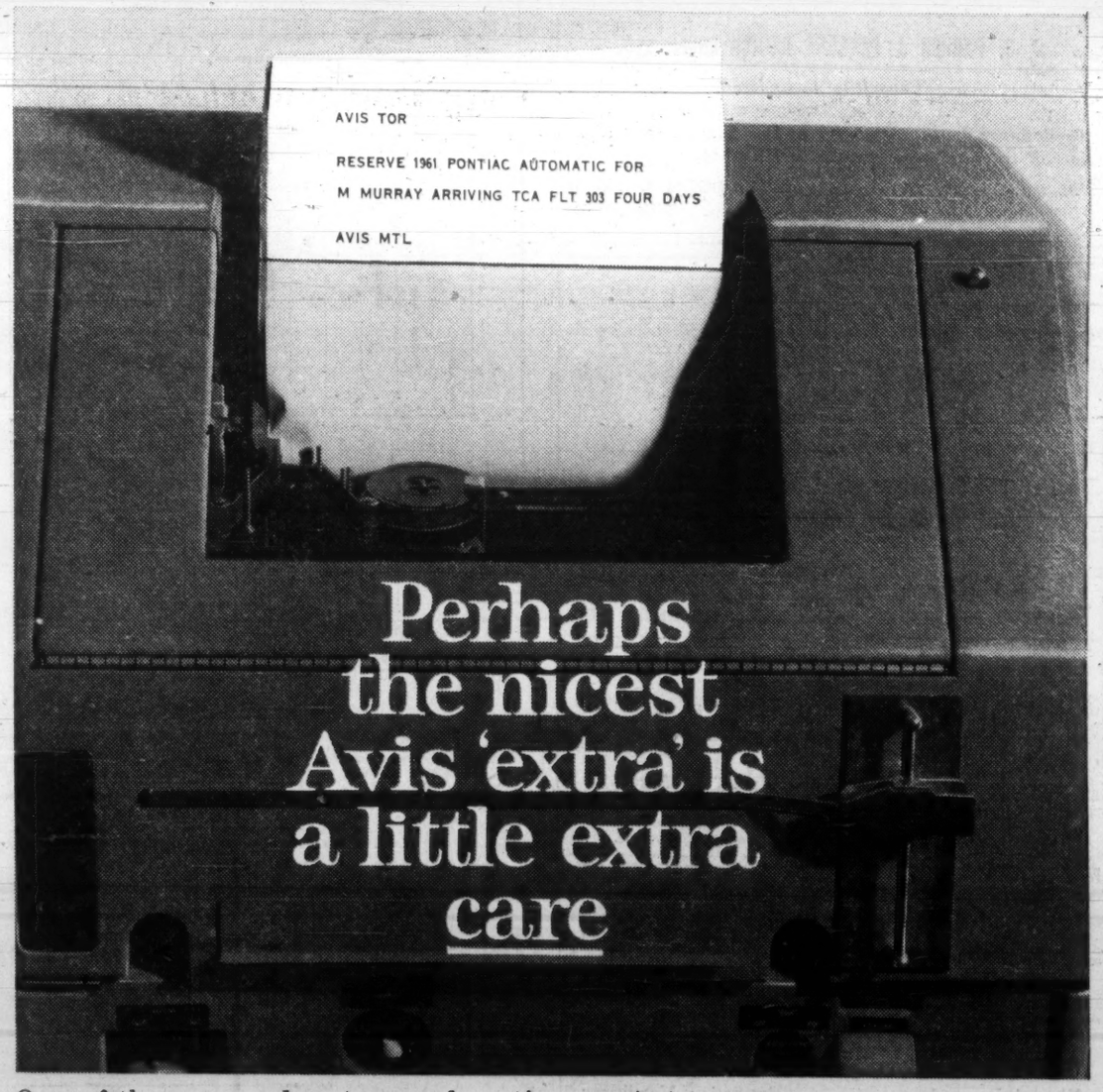

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House Builders Turn to Optimism

By FORBES GILBERTSON

MONTREAL (Staff) — At least 300 of Canada's home builders are much more optimistic about the housing outlook than they were a year ago.

Change of sentiment among a cross-section of builders contacted by **FP** at the annual National House Builders Association convention here this week is due to these factors:

- **Recent** amendments to government regulations, which they feel will bring another group of buyers into the market.
- **Talk** of recession, more than lack of buyers, slowed sales last year. Buyers who hesitated in 1960 are showing more interest now.
- **Campbell C. Holmes,** NHBA president, told **FP**: "If we get the funds from lenders, both conventional and NHA, and the government — or the banks — are prepared to finance 30,000 units, there could be 125,000 starts this year."
- **Present** soft market in some centres. Many of these houses aren't selling because of poor design, poor location, and poor quality. They'll be cleaned up quickly.

Example: One Toronto builder sold 50 homes ranging from $19,000 to $24,000 last year, while stereotyped homes in a subdivision only blocks away stand unsold.

- **NHA** rate is more attractive to lenders and more money is available for both NHA and conventional loans.
- **Prices** will show a slight over-all increase generally this year.

Profit has been cut to the limit in recent years, says Holmes. If a builder is forced to carry a house eight or nine months, he loses his profit. On a $15,000 home, he won't make more than $800-$900.

Ahead:

- More merchandising by builders. This has been the weak point of many of them, but it's a "must" now if they're to stay in business.
- More will be seen of electric heating this year, as intensive research in this field continues.
- More prefabrication of components. By the 1970s, a builder may be more an assembler of components than the builder he is today.
- Larger and larger building operations, as high cost of land makes development feasible only to large, well-financed organizations.
- Tendency across Canada for municipalities to demand more and more services from subdividers will grow.
- More row housing and apartments. But Holmes feels most Canadians will always want their own homes on a separate lot.

Other trends:

Family rooms are really on their way in, and kitchens are getting smaller.

There's a swing back to the foyer, or reception hall, and two bathrooms are becoming a must.

There's more need for a fourth bedroom.

Site-scaping: With land costs high, more amenities are being built into sites, ranging from golf courses to waterfalls. It all makes land more valuable and more pleasant living.

Trend to outdoor living will make site-scaping a keynote in future housing development.

Banco Finance Stock Offered

An offering of 50,000 npv Class B shares of **Banco Finance Ltd.,** Vancouver, has been made at $3.35 a share.

Banco, founded in 1955, deals mainly in first and second mortgages and agreements for sale. Loans receivable at July 31/60 totaled $700,678.

Offering is being made by **British Columbia Land & Investment Agency Ltd.,** which has agreed to buy 1,000 shares at $3, and has an option on 49,000 shares at the same price.

Net profit was $13,554 in year ended July 31/60, $13,789 in 1958-59, $13,341 in 1957-58. Losses of $894 and $14,404 were recorded in the two preceding years.

Capitalization outstanding at July 31/60 consisted of 10,000 npv Class A shares.

Holders of these shares have been given rights to buy one Class B share at $3 to July 31/65 for each five Class A shares held Nov. 10/60.

Proceeds of current issue will be used for expansion and general corporate purposes.

Directors are John C. Caines and V. R. Donaghy of Vancouver, Raymond Borchardt of Chicago, and Daniel A. Harrington of Evanston, Ill.

Cape Breton Coal Mines Get $3 Million Subsidies

MONTREAL (Staff) — Special subsidies to compensate for postponed closure of three uneconomical mines in Cape Breton will cost the federal and Nova Scotia governments about $3 million (**FP**, Nov. 5/60).

Faced with shrinking markets and mounting costs, **Dominion Steel & Coal Corp.** had planned to close the collieries last year, but kept them open at the request of the two governments.

In late October it announced Caledonia colliery, which employs 800 at Glace Bay, would close Jan. 14, the others at later, unspecified dates.

Under the new subsidy agreements, the Caledonia closure has been postponed to May 31.

Florence colliery in the village of Florence will close July 1 and No. 16 at New Waterford Aug. 12.

The subsidy of $1 a ton will be retroactive to April 1/60 to compensate Dosco for losses incurred in the three mines last year.

Ottawa will pay 80c a ton and Nova Scotia 20c a ton up to 1.5 million tons. Beyond that tonnage the federal government will assume the whole burden.

The special subsidy applies to the present non-subvention area — the Maritime market and Quebec east of Levis.

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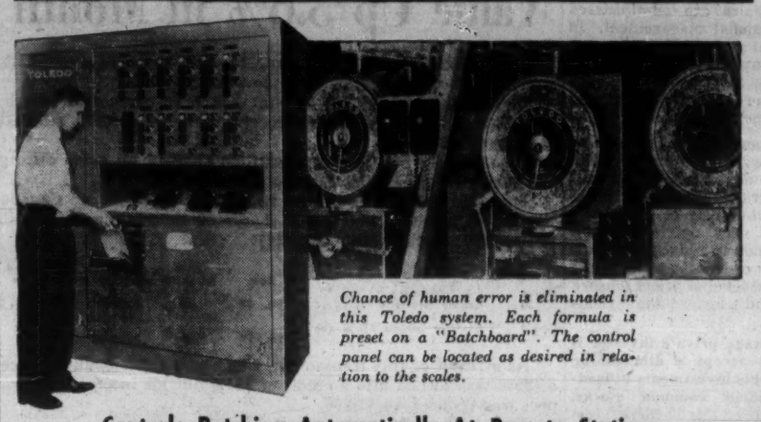

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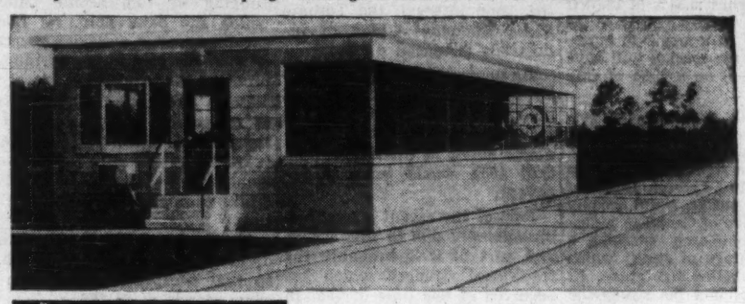

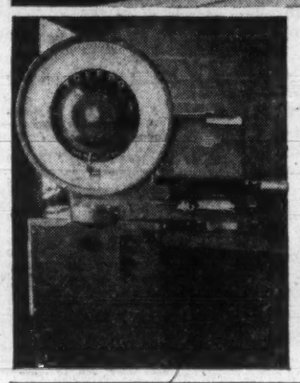

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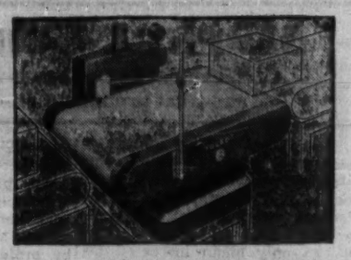
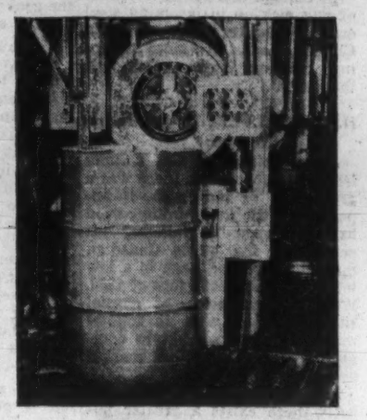
One remote dial serves *three* platforms in this Toledo Electronic Load Cell Scale for truck weighing at a large cement plant. With a truck on three platforms, scale reads individual axle loads or total weight. Equipped with Printweigh "400" to print full figure weight data. Brings new versatility to weighing. Request Bulletin 2970.



Checkweighs In-Motion

Many plants today are putting Toledo Automatic Checkweighers into their conveyor lines. Models to provide continuous, 100% in-line checkweighing of items from a few ounces to 200 pounds. Motorized belt. Handle sacks, cartons, packages, pieces, parts. Ask for Bulletin 2968.



Automates Drum-Filling

In this oil industry plant, a Toledo subsurface filler automatically eliminates foaming and controls drum filling. The scale is keyed into conveyorized system . . . provides faster, more accurate filling. Saves time, labor, avoids loss of material and customer goodwill. One of many operations where Toledo controls guard costs. Ask for Bulletin 9030.

WRITE TODAY for specialized help from our Custom Products Division, or contact the Toledo Office near you, to solve your problems in batching, checkweighing, drum-filling, load cell applications. Toledo Scale Company of Canada, Ltd., Windsor, Ont.

TOLEDO® *Headquarters for Weighing Systems*

SERVICES

Your Winter Works Program Needs to get Extra Push Now

OTTAWA (Staff) — Now is the time to push promotion for your local do-it-now winter work campaign.

The Labor Department figures worst of the slow-down comes after Christmas.

It began this week to give a big extra push to its own drive to overcome what it estimates is $300 million annual loss in production, wages and purchasing power through winter shutdowns.

Reports indicate that wherever local campaigns have been vigorously pursued, they have been effective in increasing employment and economic activity, the department says.

It offers these possibilities for projects that could be done during winter instead of waiting for spring:

- **Take** advantage of availability of skilled men and materials to do renovations, redecoration, repair and maintenance.
- **Build** new plants or additions.
- **Investigate** new applications of normal products and manufactures and distribution of additional products suitable for winter marketing.
- **Tie** winter sales programs in with government Do-It-Now campaigns.
- Produce and stockpile standard products for the spring market or production schedule.
- **Transfer** staff from slack to busy departments or divisions.
- **Arrange** more annual vacations during the winter.
- **Train** or re-train personnel.

Montreal Factoring Firm Launched by Garment Man

MONTREAL (Staff)—A new Quebec firm has entered the industrial finance field.

Affiliated Factors Corp., a private company, will finance accounts receivable for business and industry.

President and managing director is Montreal-born accountant, H. H. Stein, a founder and for the past 25 years managing director of Montreal Dress & Sportswear Manufacturers' Guild.

Affiliated will be one of about half a dozen firms engaged in factoring in Canada.

Another, **Inter-Provincial Commercial Discount Corp.** of Toronto, recently made a public issue of debentures (**FP**, Nov. 19).

Affiliated plans to lend 80% or more—depending upon circumstances — against accounts receivable. It will also offer full investigation and other credit services, enabling client companies to eliminate their own credit departments.

Associated with Stein in Affiliated Factors is Gordon Brown, Montreal real estate developer. Capitalization is $1.2 million.

Stein is a former director of Wartime Prices & Trade Board. Until 1956, he was senior partner of **Stein, Messinger & Co.,** chartered accountants.

He will remain with the Montreal Guild as a consultant.

PACIFIC PETE

All the Canadian properties of **Sunray Oil Co.,** Tulsa, have been transferred to **Pacific Petroleums Ltd.** under terms recently approved by shareholders. Sunray held interests in some three million acres in the oil and gas-producing areas of B. C. and Alberta.

ANNOUNCEMENT

DONALD B. FOSS

Following the December meeting of the Directors of Consolidated Paper Corporation Limited, the appointment was announced of Donald B. Foss as Vice-President in charge of Manufacturing, with effect from January 1st, 1961.

Mr. Foss has 33 years service with the Corporation, having been successively Mechanical Superintendent, Division Engineer and General Superintendent at Laurentide Division, followed by his appointment as Manager of that Division on January 1st, 1955.

Shortly thereafter he became Assistant Manager of Manufacturing and, since June 1st, 1957, has been Manager of Manufacturing for the Corporation.

Prior to attending McGill University, from which he graduated in 1923 with the degree of B.Sc. (Mechanical Engineering), Mr. Foss saw active service in World War I with the McGill Battery and, later, as a fighter pilot with the R.N.A.S. and R.A.F.

He is a member of TAPPI and the Technical Section of the Canadian Pulp and Paper Association and of the Grand'Mere Rotary Club of which he is a past-President.

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THE DOMINION OF CANADA GENERAL INSURANCE COMPANY

THE CASUALTY COMPANY OF CANADA

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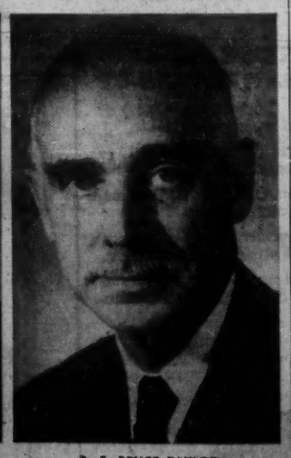
HAMILTON, CANADA

ANNOUNCEMENT

TRANS MOUNTAIN OIL PIPE LINE COMPANY

ERIC S. DAVIS



R. F. BRUCE TAYLOR

Mr. E. C. Hurd, President of Trans Mountain Oil Pipe Line Company, has announced the appointment of Eric S. Davis and R. F. Bruce Taylor as Vice-Presidents of the Company and its subsidiaries. Mr. Davis has been Operations Manager of the Company since 1954. Mr. Taylor continues as Treasurer of the Company, which post he has held since 1952.

Abitibi Contract May Set Pattern In Ontario Woods

The wage pattern for Ontario woods workers may have been set by an agreement between **Abitibi Power & Paper** and the Lumber & Sawmill Workers Union.

It could head off threatened trouble which was developing after the union and eight major pulp and paper firms reached a deadlock in new contract talks.

The two-year settlement with Abitibi provides for a 23c hr. increase for hourly-paid workers, 5% increase for piece workers.

Work week is reduced from 48 hr. to 44 hr.

The union, a branch of the United Brotherhood of Carpenters & Joiners, had sought a 40 hr. week with maintenance of take-home pay, an increase of 20c hr. for day workers and 14% for piece workers.

During talks and conciliation, some industry spokesmen had estimated the work week demands would add $7 to cost of producing a cord of wood.

The actual settlement will add something less than that to costs, it is estimated.

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CONTRACTORS FOR OVER 50 YEARS

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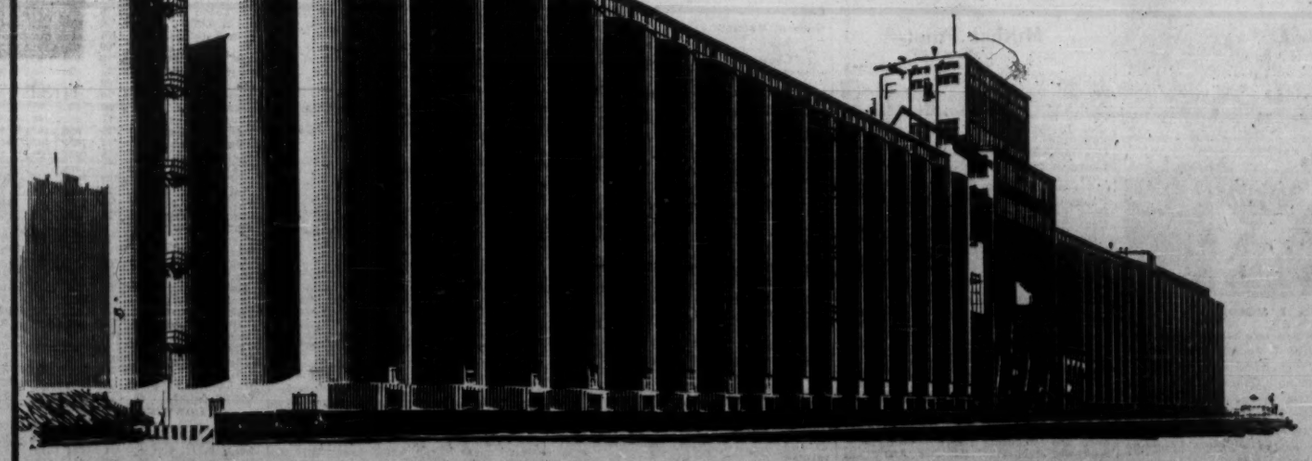
WINNIPEG: 525 Kylemore Ave., Phone 43-2233



MANITOBA POOL ELEVATOR NO. 3
PORT ARTHUR, ONT.

Consulting Engineers:
C. D. Howe Company Limited
Port Arthur—Montreal

Market Comment

What stocks and bonds are doing and what prominent observers say

The recent buying splurge in stocks — running out of some steam at midweek — continues to baffle market analysts. In the face of continued spotty business and squeezed cost-price margins it can only mean increased investor confidence in ultimate business recovery and restored normal earning power, they claim.

There's no doubt that investors are counting heavily on the new Kennedy regime to institute economy-bolstering moves that will speed up the recovery. But if such anticipated moves are on the conservative side and countered with taxation boosts the market disappointment could be sharp.

In Canada there is no evidence of any pick-up in incoming steel orders or construction tempo. Post Christmas sales are more sweeping, offering bigger price cuts than usual.

* * *

H. E. BOULTER; Draper Dobie & Co. (Toronto)

Since writing in this column last September when there was a great deal of indecision, it appears that the intervening period has developed a rounding off period for the whole Canadian market which had been in a low level trend since the tops of 1956. With the exception of special situations there was no follow-through in our market to compare with the New York market in 1959.

It seems that on a comparable basis there exists a greater potential for capital gains in Canadian shares now that some of the glow has left the U. S. space and electronic issues.

The lower Canadian dollar, the obvious earnings potential for our natural gas producers and pipelines and the growing interest in the possible higher price for gold and silver brings our internal strategic position once more back into the focus of the U. S. investors who actually provide the extra push to bring about large volume and higher prices. There are convincing evidences also that the copper market is entering the final period of decline.

A very encouraging aspect of our market is the strength of the Bank Index. In spite of weak and discouraging New York market periods since the March 1960 low point, index has continued in an uptrend.

The Dow Theory called for a bear market last March just at a point when the banks had completed their fullest price drops since the highs of July, 1959. Over the years the longer trend of the Bank Index seems to have indicated the actual investment background to the whole market before it became apparent in the rise (or decline) of the rest of the market.

It seems that there is almost a six months premonition on the part of Bank stock buyers as to which way the market will move. The investment status of banks attracts the more conservative buyer at the right levels but when the speculative element enters the market it usually is a prelude to a vulnerable market which does not seem to be the case now, as the DBS bank figures at about 350 would have to decline over 35 points to bring about concern over the future trend of the market.

* * *

DONALD M. ROSS; Moss, Lawson & Co. (Toronto)

At a progressive rate since 1949, the operations of professional investors have worked against the average private investor who, justifiably, feels he is entitled to a half-decent yield when he invests his savings in leading Canadian common stocks.

And now, Ottawa's baby budget has compounded the difficulties of the situation by forcing pension funds and investment trusts to step up their buying of Canadian securities or lose certain tax concessions.

By professional investors, I mean the mutual funds, pension funds and other similar groups whose affairs are administered by professional management. In a very real sense, these groups are captive investors in that they cannot, for long, postpone investment of the steady flow of monies which come to them.

Understandably, these groups, by and large, confine their buying of common stocks to only the highest grade available. Since their eligible lists of stocks are expanded very sparingly, their buying tends to reduce the floating supply of leading stocks, raise the general level of prices on such stocks and lower the yields thereon.

The average private investor is having to accept a diminishing return on his investments in leading Canadian common stocks. What proof of this is there? Just this! At the bottom of the bear market in 1949, the average yield on common stocks, as measured by the Moss-Lawson Index, reached a figure of 7.14%. The highest yield that has been seen since then was 5.72% in 1953 and the next highest 5.34% in 1957. If the present market upturn is the first leg up on a new bull movement, then the market will have reversed itself on a yield of only 4.55%.

Right away, some unkind person is going to say, "Ah! But 4½% isn't such a bad yield". And he would be right except for the fact that Moss-Lawson Index of 64 common stocks, while broadly representative of Canadian industry and commerce, contains a good percentage of stocks which cannot be labelled high-grade. At that time, among the stocks the professional investor would buy, a few were yielding less than 2%, several returned less than 3%, many more less than 4%, and only a precious few 4½% or better!

Moreover, and for the benefit of those who are still sceptical of my contentions, let me point out that the average yield on the Index stocks was less than 4% for five months in each of 1955 and 1956 and, again, for a period of 17 months between September 1958 and January 1960. Indeed there was a period of six months in 1959, when the Index was hard pressed to yield a meagre 3½%!

* * *

THADEUS SOLOWIJ; L. G. Beaubien Co. (Montreal)

In our last market comment (Oct. 22/60) we expressed our confidence in the future of the stock market and stated that "we feel that selective buying of good quality stocks . . . which in general are available today at reasonable P/E ratios and quite attractive yields will pay off nicely not only on a long-term basis but over a short term as well."

Since the market has taken a much better turn, we do not see any reason to change our opinion. The expansion of the money supply in the last few months and the anticipation that the new American administration and the Canadian government will apply more monetary and fiscal weapons to stimulate the economy are probably the main reasons for the recent advance.

There are more funds available for investment and more confidence that the economy will again turn upward this year, either on its own strength or in response to government action.

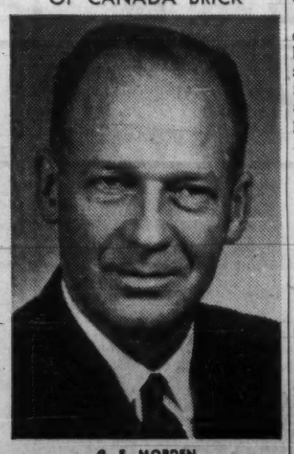
Should deficit financing grow to great proportions we can expect that renewed fear of inflation will again induce investors to buy common shares.

In respect of new commitments we feel that they should be concentrated in industries which have good prospects to improve or at least maintain their earnings during recession, such as banks, finance companies, utilities, breweries, food processing and integrated oils.

Pending the expected upturn of economic activity, care should be exercised in the purchase of shares in industries now suffering from decreased sales volume and, in some cases, lower selling prices as well.

ANNOUNCEMENT

GENERAL MANAGER OF CANADA BRICK



G. E. MORDEN

Mr. G. E. Morden has been named General Manager of its Canada Brick Division by Canadian-Marietta of Ontario, Ltd.

Before joining Canada Brick, Mr. Morden was vice president and general manager of the Brinton Peterboro Carpet Company, Peterborough, Ont., and was previously associated with the Canadian Marconi Company, Montreal, as manager of the broadcast and television receiver division. A native of Canada, Mr. Morden served with the Canadian Army in World War II, rising from private to captain in the artillery branch.

In his new position, Mr. Morden will be responsible for operation of the Canada Brick Division for Canadian-Marietta of Ontario, Ltd.

Mutual Funds

	Divd. pd. cents.	Bid	Ask.
All-Can. C. F.	(30.624)	7.12	7.74
All-Can. Div. Fd.	(24)	5.42	5.89
American Growth	(15)	7.91	8.62
Assoc. Investors	(34.5)	7.80	7.88
Can. Invest. Fund	(36)	8.97	9.84
Canafund	(125)	37.19	39.05
Champion Mut. Fund	(16)	5.48	6.02
C'wealth Inter.	8(32)	8.09	8.89
Com. Lev. Fund	(16)	6.86	7.54
Corporate Inv.	(32)	9.11	9.95
Diversified Inc. B	(11.2)	3.85	4.15
Dom. Equity	(53)	15.15	15.47
Dom. Comp. Fund	(37.16)	9.14	9.51
No. nonres.	(37.16)	9.05	9.41
Dominion Funds	(32)	8.44	8.78
First Oil & Gas		3.77	4.12
Group Accum.		5.39	5.89
Grouped Inc.	(30.45)	3.49	3.81
Growth Oil & Gas		6.93	7.28
Invest. Growth	(14.5)	6.05	6.58
Investors Mutual	(36)	11.56	12.57
Mut. Acc. F.	(17.01)	7.82	8.55
Mutual Bond		6.45	6.75
Mutual Income	3.7(23.55)	4.98	5.44
North American	(25)	8.94	9.72
Sav. & Inv. Mut.	(18)	5.24	5.73
Securities Fund		12.37	13.52
Sup'vised Amer.	(14)	7.05	7.12
Sup'vised Executive (1955)		30.27	...
Sup'vised Executive (1956)		32.32	...
Sup'vised Executive (1957)		5.52	...
Sup'vised Executive (1958)		5.83	5.89
Sup'vised Gr'th Fund	(4)	1.70	1.72
Sup'vised Inc. Fund	(17)	3.95	2.99
T.V. Electr's	(453)	7.85	8.54
Timed Invest.	(28)	5.65	6.10
Trans-Can. A	(105)	26.55	...
Do B	(94.4)	28.50	...
Do C	(18)	5.70	6.20
United Accum. Fund	(32)	15.43	16.86

†Paid or payable in 1961, total paid in 1960 in parentheses.

‡Of which 8c (U.S.) was paid prior or to a 2-for-1 stock split. 32c (U.S.) cap. Gains Dist. in 1960.

Compton's Portfolio

A Managed Investment Account

Invested in 1944 ..... $10,000
Account latest valuation $38,695

Value Up 5.6% in Month

During the month ended Jan. 15, the value of Compton's account rose by $2,056, or 5.6% to total $38,695.

This is the highest the account has been since mid-March, 1959, but it is still below the record value of $39,422 reached in August 1956.

All stocks in the Compton portfolio chalked up gains during the month except **Philips Lamps.**

Here are the details of the sale of Government of Canada bonds and purchase of class B shares of **Canada Packers Ltd.,** previously reported (**FP,** Dec. 24):

Shares	Purchase	Date	Price per share $	Net amount $	Indicated income $
35	Canada Packers 'B'	Dec. 19	48	1,694.00	61.25
	Sale				
$2,000	Govt. of Canada 5½% due April 1, '63	Dec. 19	103	2,060.00	110.00

As a result of this transaction, Compton's debit bank balance of $254 was turned into a credit of $112, but his income in prospect was reduced to $1,266.

Here is the manager's report:

At January 15, 1961, Compton's account had a total value of $38,695. Including $202 of dividend income in the latest month, the account showed an increase of $2,056, or 5.6%. In the same interval, the Toronto Stock Exchange index of industrials advanced 4.9%.

As suggested before (**FP,** Jan. 7) the stock market appeared likely to advance even in the face of continuing adverse economic news, in the expectation that 1961 would bring a recovery.

Part of the recent strength is undoubtedly due to this factor, and part of it is probably the traditional strength which has occurred at this time of year in six years out of seven during this century.

In the light of the higher quotations, each common stock was scrutinized to ensure that there was no fundamental deterioration in the company concerned.

Each of the stocks advanced in price, with the exception of Philips Lamps. As a result of slower business in the U. K., company's fourth quarter earnings fell short of earlier expectations, so that earnings for the year may have been around $7.50 a share instead of the earlier anticipated $8.

Nevertheless, this is still a satisfactory gain over 1959 earnings of $6.24.

All of the company's sound attributes still exist — its financial strength, its research competence, its geographical diversification, the rapid growth of many of the markets it serves.

Royal Bank of Canada elected a new president, and reported record assets and earnings. Judging by the income taxes which the bank paid, its real earnings growth was even greater than the gain in the earnings reported to shareholders.

Price Bros. suffered the loss of its senior executive officer, the late Rt. Hon. C. D. Howe. It is still too early to determine what impact this may have upon the company's corporate destiny.

There were no changes in dividend rates during the month, so that prospective annual income stands at $1,266.

Compton's cash balance at Jan. 15 stood at $313.

Here is his portfolio at that date:

		Cost Per Share $	Market $
	Bonds:		
$5,000	Govt. of Can. 5½%, Oct. 1/62	99.50	103.00
	Common Stocks:		
100	Abitibi P. & P. ..	18.99	40.25
100	Alta. Gas Tr. Line	20.75	26.375
50	Bell Telephone ..	40.37	48.875
100	B.C. Power	38.37	36.50
100	Calgary Power ..	21.625	24.75
35	Can. Packers B .	48.00	49.00
60	Can. Breweries ..	33.52	45.00
50	Int. Nickel	34.20	60.25
10	Philips Lamps ..	161.00	149.00
50	Price Bros.	43.50	41.50
15	Royal Bk. of Can.	69.875	73.75
100	Simpsons Ltd.	27.875	30.25
65	George Weston B	35.31	44.375

	Book value $	Mkt. value Jan. 15 $	Prospective annual income $
Bonds	4,975	5,150	275
Common stocks ...	27,348	33,232	991
Cash	314	314	...
	32,636	38,696	1,266
Current market value			$38,695.56
Prospective annual income			$1,265.93
Average yield on original $10,000			12.66%
Average yield on current mkt. value			3.27%

Building Products Expands Flooring and Plastic Lines

MONTREAL (Staff)—**Building Products Ltd.** has purchased the assets of a second floor covering firm and a plastics extrusion company. (**FP,** Jan. 14).

Acquisitions include assets of Micro Plastics division of **Consolidated Frybrook Industries Ltd.** including office and two factories in Acton, Ont. Division makes carlon polyethylene pipe as well as custom extrusion of sheets and other shapes. President L. F. Long says company has already done considerable research on plastic building elements.

Consolidated Frybrook is the former **Consolidated Press Ltd.** owned by Jack Kent Cooke.

Building Products also purchased, effective the beginning of the year, all outstanding stock of **Robbins Floor Products of Canada Ltd.,** wholly-owned subsidiary of **Robbins Floor Products Inc.,** Alabama. Assets include office, factory and warehouse in Granby, Que., and the use of the Robbins trade mark in Canada.

FP understands the Robbins operation will retain its name and operate as a wholly-owned subsidiary of Building Products. Semi-finished and finished tile will continue to be imported from the former parent for the present. Ultimately, Building Products likely will manufacture the entire product at Granby.

Recently acquired vinyl and rubber flooring division of **Canadian General-Tower Ltd.,** Galt, also included their existing sales organization as well as their trade mark for flooring products.

Financing of the expansion is being done from internal resources. President Long says short-term borrowing will be undertaken to replenish working capital as required.

Canadian Auto Production

	Week Ending Jan. 14/61	Same Week 1960	Year To Date 1961	Year To Date 1960	% Change To Date
CARS					
General Motors:					
Buick	179	347	321	688	
*Chevrolet	2,020	2,315	3,664	4,483	
Oldsmobile	214	457	427	891	
Pontiac	1,539	1,719	2,671	3,423	
	3,952	4,838	7,083	9,485	—25
Ford:					
*Ford	1,193	1,348	2,295	2,773	
Mercury	105	150	207	298	
*Meteor	685	785	1,371	1,509	
Monarch	110	155	238	291	
	2,093	2,438	4,111	4,871	—15
Chrysler:					
Chrysler	113	120	209	236	
DeSoto	...	81	...	129	
Dodge	139	500	264	968	
*Plymouth	293	726	552	1,394	
	545	1,427	1,025	2,727	—62
Studebaker-Packard:					
Studebaker	128	103	128	103	+24
American Motors:					
Rambler	...	...	...	...	
Total cars	6,718	8,806	12,347	17,186	—28
TRUCKS					
General Motors	576	997	1,036	1,910	
Ford	292	294	584	579	
Chrysler	151	190	273	364	
International	235	275	417	553	
Total trucks	1,254	1,756	2,310	3,406	—32
Total cars, trucks	7,972	10,562	14,657	20,592	—29

*Chevrolet includes Corvair; Ford includes Falcon; Meteor includes Frontenac 1960 model year, Comet 1961 model year; Plymouth includes Valiant.
Source: Canadian Automobile Chamber of Commerce.

Bridge & Tank Co. Seeking All United Steel Shares

Shareholders of **Bridge & Tank Co. of Canada** will vote March 1 on a proposal to create one million new Class B preferred shares, par $10.

It is planned to use 575,430 of the new shares in a share-for-share exchange with holders of **United Steel Corp.** common shares.

United Steel traded this week at $7½, compared with a 1961 high of $8½ late last week, and low of $6¼ the previous week. Range in 1960 was $4.65-$8.75, closing at $6⅝.

No dividends have been paid on United Steel common since a 20c quarterly payment June 30/59.

United Steel President A. G. House said that holders of the new Bridge & Tank B shares would be entitled to a cumulative dividend of 6% (or 60c a share) from March 1.

This represents a yield of 8% at recent price of $7½ on United Steel common, and represents an annual distribution of $345,258 on 575,430 shares.

United Steel sustained a consolidated net loss of some $175,000 during first 11 months of 1960, unaudited figures show. Net profit in 1959 was $316,627 or 55c a share.

Bridge & Tank's earnings (after taxes) in Jan.-Nov./60 were "approximately, or a little better than, one-half those" for first 11 months of 1959, Mr. House said.

In 1959, it earned $953,948 or $2.45 per common share.

In addition to the 575,430 B shares to be outstanding, Bridge & Tank's capitalization consists of 32,267 $2.90 Class A preferred shares, par $50, and 1,043,694 common shares.

At Dec. 31/59, earned surplus totaled $3,882,679. Assets amounted to $15,353,273, and working capital $6,856,683.

No new financing is contemplated, Chairman & President J. A. Gairdner told **FP.**

The offer is not binding on Bridge & Tank unless at least 90% of the common shares accept. Bridge & Tank wants to acquire all United Steel shares, and plans to apply Section 128 of the Companies Act if the necessary conditions are met.

Offer expires March 1, but may be extended.

Directors of United Steel unanimously recommend acceptance, President House said.

"It is considered by the management of United Steel that a close association with Bridge & Tank will be beneficial to both companies.

"The various divisions of each company should prove complementary to one another, and overhead costs should be reduced."

Mr. Gairdner said of Bridge & Tank:

"During 1960, profit margins were lessened as a result of increased competition and the general downturn in the Canadian economy."

Bridge & Tank has maintained operations of all divisions at about 70% of capacity, against estimates of about 50% for the structural steel industry as a whole, Gairdner told shareholders.

Bridge & Tank was incorporated seven years ago, taking over **Hamilton Bridge Co.** and substantial interests in **Sawyer-Massey Ltd.** and **Rheem Canada Ltd.**

A western division was established in Winnipeg through purchase of **Vulcan Iron & Engineering** and **Manitoba Steel Foundries.**

United Steel Corp., Toronto, founded in 1933, has four major operating divisions — **Dodge Manufacturing,** Toronto; **Canadian-Mead-Morrison,** Welland, Ont.; **Standard Steel Construction,** Port Robinson, Ont.; and **Farand & Delorme,** Montreal.

Operating subsidiaries are **London Steel Construction Co., Toronto Foundry Co., United Steel Sales Ltd., United Steel Strapping Ltd.,** and **United Aluminum Sales Ltd.**

FORM SUBSIDIARY

A new company, **Wheelabrator Corp. of Canada Ltd.,** will replace the Canadian division of **Wheelabrator Corp.** which supplies airless blast cleaning equipment, abrasives, dust and fume collection systems from its plant at Scarborough, Ont.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Securities.

PROVINCIAL BONDS

Province of Saskatchewan — 5¼% and 5¾% debentures, to mature Feb. 1, 1968 and Feb. 1, 1979, $10,000,000. Dated Feb. 1, 1961. Offered at (1965 maturity) $100.00 and accrued interest, to yield 5.50% and (1979 maturity) $98.50 and accrued interest to yield about 5.89% by Mills, Spence & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Bell, Gouinlock & Co. Ltd., Royal Securities Corporation Ltd. and James Richardson & Sons.

Province of Quebec — 5¼% 7-year sinking fund debentures, and 5¾% 25-year sinking fund debentures, to mature Feb. 1, 1968 and Feb. 1, 1986, $50,000,000. Dated Feb. 1, 1961. Offered at $99.00 to yield approx. 5.43% and $99.25 to yield approx. 5.81% (plus accrued interest in both cases) by L. G. Beaubien & Co. Ltd., A. E. Ames & Co. Ltd., Royal Securities Corp. Ltd., Wood, Gundy & Co. Ltd., Rene T. Leclerc, Inc., Dominion Securities Corpn. Ltd., Mills, Spence & Co. Ltd., W. C. Pitfield & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Greenshields & Co. Inc., Bell, Gouinlock & Co., Ltd., Gairdner & Co. Ltd., Nesbitt, Thomson & Co., Ltd., Equitable Securities Canada Ltd., Dawson, Hannaford Ltd., Anderson & Co. Ltd., Collier, Norris & Quinlan Ltd., Lagueux & Des-Rochers Ltee, Geoffrion, Robert & Gelinas, Inc., James Richardson & Sons, Harris & Partners Ltd., J. C. Boulet, Ltee, Burns Bros. & Denton Ltd., La Corporation de Prets de Quebec, Mead & Co. Ltd., J. E. Laflamme Ltee, MacTier & Co. Ltd., Casgrain & Co. Ltd., Midland Securities Corpn. Ltd., Belanger, Cochran, Murray & Co. Ltd., La Maison Bienvenu Ltee, Bartlett, Cayley & Co. Ltd., Desjardins, Couture Inc., Morgan, Ostiguy & Hudon Ltd., Clement, Guimont, Inc., J. T. Gendron Inc., Societe de Placements Inc., Hamel, Fugere & Cie Ltee, Marc Carriere, Ltee, Garneau, Boulanger Ltee, Grenier, Ruel & Cie, Inc., Grant Johnston & Co. Ltd., Brault & Chaput, Graham, Armstrong Securities Ltd., R. A. Daly & Co. Ltd., J. L. Graham & Co. Ltd., Bankers Bond Corporation Ltd., Molson & Co. Ltd., Fry & Co. Ltd., Brawley, Cathers & Co., Gaston Laurent Inc., Credit-Quebec, Inc., Forget & Forget Ltee, Oscar Dube & Cie Inc., Fairclough Co. Ltd., Walwyn, Stodgell & Co. Ltd., H. C. Flood & Co. Ltd., Mathews & Co. Ltd., John Graham & Co. Ltd. and Ramsay Securities Co. Ltd.

CORPORATE SECURITIES

Northern Telephone Limited — 6% 20-year sinking fund debentures, series "D", to mature Jan. 2, 1981, $2,000,000. Dated Jan. 2, 1961. Offered at $100.00 and accrued interest by Royal Securities Corpn. Ltd., Bartlett, Cayley & Co. Ltd. and Burns Bros. & Denton Ltd.

PREFERRED BONDS

Exquisite Form Brassiere (Canada) Ltd. — 6% cumulative redeemable convertible first preference shares, series A (par value $10), (150,000 shares) and 30,000 common shares, in units of one series A preference share and one-fifth of a common share conversion privilege. Offered at $10 per unit by Gairdner & Co. Ltd.

Bond Tenders

12 Noon, Jan. 19, 1961, Government of Canada, Treasury Bills — Due April 21, 1961 and July 21, 1961, $120,000,000. Dated Jan. 20, 1961.

Government Bonds

Jan. 17, 1961 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Asked
Govt. of Canada Bonds:			
3 Perpetual ...		67½	69½
2¾ June	1967/68.	87¼	88¼
3¾ Jan.	1975/78.	82	83½
3¾ Mar.	1966/68.	75¼	77¼
3 May	1961 ...	99¾	102¼
3¼ May	1970 ...	89¼	91¼
3¼ Oct.	1979 ...	76	77¼
3 Dec.	1961 ...	99¼	99¾
3¼ Sept.	1965 ...	95¼	96½
4¼ Sept.	1972 ...	91¼	92¼
4¼ Sept.	1983 ...	89	90¼
4 Jan.	1963 ...	99¼	100
5¼ Oct.	1962 ...	102¼	103¼
3¼ June	1974/76.	78	79¼
5¼ Apr.	1963 ...	103	103¼
5¾ Apr.	1969 ...	102¼	103¼
5¼ Oct.	1975 ...	99¼	101
4¼ Dec.	1962 ...	100¼	100¾
3 June	1962 ...	98¾	99¼
4 Dec.	1963 ...	98¼	99¼
Cdn. Nat. Railways:			
3 Jan.	1961/66.	91¼	92¼
2¾ Feb.	1961/63.	97¼	98
2¾ Jan.	1964/67.	88¼	89¾
3¼ Feb.	1972/74.	86	88
4 Feb.	1981 ...	82½	84
5¼ Dec.	1964 ...	102	104
5¼ Jan.	1985 ...	102	104
4¼ Apr.	1967 ...	97	98¼
5 Oct.	1987 ...	93¼	95

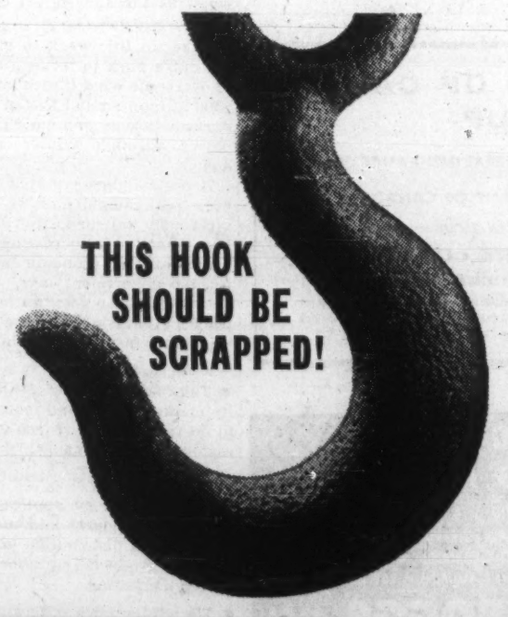
%	Due	Bid	Asked
Int. Bank of Reconstruct. & Development			
3¼ Apr.	1965 ...	91	93
3¼ June	1969 ...	87	89
C'wealth of Australia:			
4 Nov.	1970 ...	87	89
Prov. Govt. Bonds			
Alberta Tel. Gtd.:			
4¼ July	1976/78.	86	88
British Columbia:			
3 June	1964 ...	93	94½
Pac. Gt. East. Ry. Gtd.:			
4½ Dec.	1987 ...	86	88
Ontario Hydro:			
4½ Nov.	1964/67.	93½	95½
5 Apr.	1974/77.	93½	95¾
5¼ July	1978/80.	97½	99½
5¼ July	1970 ...	99½	101¼
3 Apr.	1968/70.	83½	85½
Quebec:			
4½ Jan.	1974/77.	91	93

%	Due	Bid	Asked
New Brunswick:			
4¼ Oct.	1968/71.	88	91
5 Oct.	1974/77.	92½	94½
Ontario:			
4½ Dec.	1962/63.	97½	99½
3 Nov.	1963/65.	90½	92½
5 Jan.	1977/79.	93	95
5¼ May	1970 ...	100	102
5¼ May	1978/80.	97½	99½
6 Nov.	1977/79.	102½	104½
Man. Hydro:			
5¼ Sept.	1977/79.	93	95
Manitoba:			
5¼ June	1976/79.	96	98
Nova Scotia:			
4½ Dec.	1975/77.	89	91
5¼ July	1978/80.	96½	98½
5 Sept.	1979/81.	92½	94½
Quebec Hydro Commission:			
5¼ June	1979/82.	97	99
Saskatchewan:			
4½ Nov.	1974/76.	87	89
5¼ July	1978/80.	96	98
Newfoundland:			
4½ July	1962/64.	95	97
5¼ Feb.	1977/79.	90	93

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
January 17, 1961

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Alg. Cep. H.B.R.	5¼	'79	97½	98½	96
Bell Phone	5	'72	93¼	96¼	93¼
Bowater Pwr. .	3¼	'80	81	...	81
Braz. Traction, L. & P.	4½	'70	77½	82¼	77¼
B. C. Electric ..	5¼	'88	87½	92½	89¼
Do.	5½	'77	97½	99½	96¼
B. C. Phone ...	5	'82	90½	93¼	89½
Calgary Pwr. ..	3¼	'72	80½	...	80¼
Consumers' Gas	5	'78	92½	95¼	92¼
Gatineau Pr. D	3¼	'70	87¼	89½	87¼
Gt. Lakes Pr. .	5½	'77	97½	100¼	97½
Maclaren-Quebec Power	3	'69	84½	...	84½
Mexican L. & P.	5	'75	68½	...	68½
Nat. L. & Pr. ..	4¼	'61	99¼	...	99¼
North. Que. Pr.	4¼	'67	91½	...	91½
Power Corp. ...	5¼	'77	94¼	...	94¼
Que. Nat. Gas	5½	'85	77½	80½	71½
St. Maurice Pr	3¼	'70	84½	87¼	85½
Shaw. W. & Pr.	4½	'76	92½	95¼	92¼
Tr. Can. P. L.	5.85	'87	93¼	94½	93
W'coast T. Deb.	5¼	'88	84½	87¼	83½
Industrial Issues:					
Abitibi Pr. P. .	6½	'77	102½	105¼	102½
Do.	4	'74	87½	...	87½
Acadia-Atlantic Sugar	4	'74	82½	...	82½
Alum. of Can. .	4½	'73	90¼	93¼	90¼
Bathurst P. & P.	5½	'73	94	96½	92½
Bicroft-Uran. ..	5	'62	98½	99¼	99¼
Can. Bread	4½	'67	90¼	...	90¼
Can. Cement ..	5½	'76	93¼	96¼	93¼
Can. Steamship	4	66	91¼	...	91¼
Cdn. Brew.	4½	'81	86½	89½	86½
Cdn. Canners ..	3½	'70	83½	86½	84½
Cdn. Celanese .	3	'62	96½	...	96½
Cdn. Chem. Co.	5½	'71	94¼	...	93¼
Cdn. Industries (1954) Ltd. ..	3½	'74	83½	86½	83½
Cdn. Dyno	6	'63	99½	100½	99½
Cdn. Oil	4	'76	83¼	86¼	83¼
CPR	3½	'72	83¼	86¼	83¼
Do.	3½	'66	89¼	92½	88¼
Can-Met	5½	'83	97	98½	97
Cockshutt F. E.	4¼	'65	88½	91¼	88½
Cons. Denison ..	5	'62	99	101	98½
Dom. Fdrs. & S.	4½	'69	91½	94½	89½
Dom. Stores ...	5½	'76	96½	99½	96½
Dryden Paper .	4½	'74	84½	...	85
T. Eaton Accep.	4½	'74	90½	93½	90½
T. Eaton Realty	5½	'76	94½	97½	95½
E. B. Eddy	4	'74	80½	...	80½
Elk Falls Co. ..	5	'75	85½	...	85½
G. Motors Acc.	4½	'69	93½	96½	93½
Gt. Lakes Pap.	5	'76	92½	95½	92½
Hud. Bay O&G	4	'75	82½	85½	81½
Husky Oil	5	'69	85½	88½	85½
Imp. Tobacco .	3	'70	85½	87½	85½
Imp. Oil	3	'69	85	87½	85
Indust. Accept.	6	'77	98½	101½	98½
Loblaw Groc. .	5	'77	99½	102½	98½
Lorado Uran. ..	6	'62	100½	102½	100
Maple L. M. ...	3½	'63	95½	98½	95½
Massey-Ferg. ..	4½	'76	88½	...	88½
Milliken Lk. ...	6	'62	100½	101	100½
North. Cdn. Oil	5	'73	79½	84½	79½
Northspan call.	5½	'63	100	...	100
Northstar Oil ..	4½	'78	83½	86½	83½
Ont. Jockey Club ex. wts.	5½	'73	91½	93½	91½
Phillips Elect. .	5	'73	88	...	88
Price Bros.	3½	'66	89½	92½	89½
Regent Refining	4½	'75	85½	88½	85½
Rio Tinto	5	'63	98	...	98
St. Law. Corp. .	5	'72	93½	96½	94½
Sal.-Shirriff-H. .	6	'77	98½	101½	100½
Simpsons Ltd. .	4½	'73	93½	96½	93½
Steel Co.	3½	'67	87½	90½	87½
Traders Finance	4½	'71	89½	93½	89½
Union Accept. .	5½	'68	91½	...	91½
Un. Grain Gr. .	3½	'70	82½	86½	82½
W. Cdn. O. ex w	...	...	88½	...	88½
Weston, Geo. ...	4½	'71	90½	93½	91½
CONVERTIBLE ISSUES					
Abitibi P. & P.	4½	'66	99	102	99
Atlas Steels Ltd.	5	'67	98½	101½	97½
Braz. Tr., L.&P.	4½	'71	71½	75½	71½
B. C. Electric ..	6	'54	111½	113½	108½
Cdn. Pacific R. .	4	'60	88½	90½	88½
Cdn. Petrofina .	4	'73	79½	...	79½
Cockshutt F. E.	5	'68	88½	91½	88½
Home Oil	5½	'71	94	96	95½
Do.	6	'75	100½	103½	97½
Shaw. W. & P.	5½	'72	106½	109½	105½
Westcoast T. ..	5½	'88	93½	96½	93
Loblaw Groc. ..	4½	'76	133½	...	133½
Phillips Elect. .	5½	'76	88	...	88
S'wood Dairies.	5½	'72	97½	...	97½
Trans. Emp. O.	5	'68	96	...	96
Do.	5½	'67	96	...	96
Triad Oils	4½	'71	78½	81½	78½


THIS HOOK
SHOULD BE
SCRAPPED!

Market Bid and Ask Quotations

Montreal and Toronto Jan. 17, 1961

Stock	Bid	Ask
xAbacus	11	12
Abitibi	40¼	40¾
Do p	23¼	24
Ac-Atl	17½	18¼
Do A	30	30
Do p	91¼	93
xAc Ur	7	8
xAcme	12	14
Admi	12¼	12½
xAdvoc	300	310
Ag-S	19¼	19½
xAgnico	73	74
xAkaitc	48	50
xAlba	4¼	6
xAlta D	200	210
xDo vt	165	170
xDo w	60	63
Alt Gas	25½	28
Do p	106	107
xDo w	830	845
Alt N Gas	16¼	17
xAP Con	40	45
Alg C	18¼	18½
Do p	56	57
xDo w	425	440
Algma	35	35½
Algon	8½	9¼
Do p	19½	20½
xDo w	200	..
xAll R	18	19
xAlmin	173	177
Alumi	33¼	34
Do 1 p	22	23
Do 2 p	46	46½
xA-Lar	18	20½
xA Rare	6	8½
xAm L	8¼	9
xA Nep	42	44
xAnac	44½	45
Analog	300	325
xDo w	100	200
xAnch	9	10
xAng Am	520	590
A Pip p	51½	52
Ang-Cdn	..	..
Tel	51	52
xAng Hu	835	850
xAng R	13	14
xAnsl	14½	15
Anthes A	29	35
Do B	29	30
Do B p	92½	96
xArc w	21	31
xArea	73	79
Argus	34½	35
Do 250 p	49½	49½
xArjon	71	84
xAsama	41	42
Ash T	9½	10
Do A	95	..
Do B	94	..
Ash A	91	..
Do B	12	12½
xA Arc	28	30
Atl A	16	16½
Do 1 p	20	20½
xAlt C C	115	120
Atlas	22½	23
xAt Yk	6	8
xAt-Ruf	9	10
xAumac	7	8
xAumaq	7	7½
xAunor	305	315
Aut El	61	62
Aut F A	7	7½
xDo B	300	340
xBly SA	570	585
Do p	19	19½
Do 5¼	211	211
xBanff	80	88
xBnkno	38	40
xBnkfld	12½	13
Bk Mtl	60½	61
Bk NS	68¾	68¾
Ba Cdiene	55½	56
Ba Prov	40	40½
Barb-E	80	..
xBrcina	400	..
xBarnat	196	198
xBase M	43	43½
xBase M	8½	9
xBaska	14½	15½
xBata	3¼	4
Ba In	260	300
Bath A	43½	44½
Do B	34	34½
xB-Duq	9	10
Beatty	7¼	7½
xBeav L	6½	7
B Lum	21	21½
Do A	18½	..
Do pr	26	27
xBelch	51	53
Bell	48¼	48¾
xBellet	28½	29
xBthlm	69	71
xBevcn	13	13½
xBibis	7	7½
xBicrft	60	61
xBidcop	9	9½
Bilt	6¼	6¾
Do p	13½	13½
xBl Bay	8	8½
xBordul	4½	5
xBouzn	43	44
Bow p	47	47½
Do 8¼ p	80½	81
xBow-Mer p	48	48½
Bowat	7½	7¾
Bowes	27	28
xBrlrn	75½	76
xBralea	37	40
xBrazil	390	400
Do p	73½	..
Br T	6	6¼
Do p	42½	45
Bright	42½	46½
Do p	21½	..
xBritalt	200	206
BA Oil	32¾	32¾
BCE 4 p	77½	78
Do 4½ p	40	41½
Do 4½ p	43	43½
Do 4½ p	90½	91
Do 5 p	48	48¼
Do 5½ p	51½	52½
BC For	13¼	13¾
BC P A	14½	16
Do B	15	15½
BC Pow	37½	37½
BC Phone	47½	47½
Brck C	9½	9¾
Brooke p	19½	..
xBr Reef	34	36
Brown	13¾	13½
Bruck A	8¼	9
xDo B	260	275
xBrnsk	275	280
xBufad	6½	7½
xBuf A	137	140
xBuf RL	6	7
Bld Prd	33½	34
Bull A	5	5¼
Do B	425	500
xBunk H	11	11½
Burlton	16½	17½
Burns	12½	12¾
Burr A	6½	7
xCable	11½	13
xCdmet	11	12
xCalalta	30	33
Cal Ed	15¾	15¾
Cal Pow	25	25½
Do 5 p	102	103
xCalv C	285	400
xCalvert	29	33
xCamer I	120	130
xC Chib	600	605
C R L	17¼	17¾
Canada		
xC Brd	380	420
Do B	494	504
C Cem	26	26¼
Do p	26¼	27
CCC St	15	15¼
C Foil	20	22
Do A	20	21¾
C Fnd	..	10
Do A	18¾	20
Do p	14	15
xCol Cel	400	410
Com E	8¾	9
xCo Met	24	25
xCmoil	180	..
xCom-P	180	..
Conduit	12	12½
Conf L	155	165
Do O	167	..
xConia	70	71
xCniaur	80	83
xCKey	17	20
Consolidated		
C Bak	7½	7¾
xC Bell	3¼	4
xC B G	5¼	6
xC Call	6½	7
xC C	2¼	4
xC Disc	390	400
xC Dra	16½	17½
xC E Cr	31	35
xC Fen	15	16
C Fire	375	500
xC Gill	5	5¼
xCG Ar	34	55
xC Hall	47	47½
xC Mrbn	58	60
xC Mrcs	82	84
xC M-M	210	215
C M S	204	204
xC Mogul	92	95
xC Morr	14	17
xC Mos	225	230
xC Neg	13	14
xC Nich	4¼	5
xC Nor	28½	30
xC Pers	8¼	11
xC Que	38	47
xC Red P	6	7
xC Reg	6	7
xC San	5¼	7
Con Text	268	300
xC W P	268	270
C Fbks A	10¼	11
Do A	105½	..
Do B	105½	106
Cons Glas	20	21
Con C	38½	39
xCnwst	345	365
Corp Cel	7	7½
xCo-Op	12	13½
xCop-M	7½	9½
xCprnd	84	86
Corb vt	16	16½
Do B	15½	16
Cosmos	11½	12
xCoulee	27½	28
xCourv	15	18
xCowic	24	25
xCraig	140	150
xCrgmt	725	745
Crain RL	16¼	18½
Crane Co	49	50½
xCrst	9	10
xCrsbk	70	75
Do p	12	13
xDo w	4	7
xCroi	7	8
Cr Cork	60	..
Cr Tr	36½	36½
Cr Zell	52½	54
Cr Zellerb (Cda)	20½	21½
xCrowp	8¼	9
Crow	18¼	20
Crush	6	6½
Do p	97½	99
xCusco	4½	5
xDaer	9¼	10¼
Dlex p	85½	..
xD'Ara	18	19
xDe C	9¼	11
xDeer H	27	27½
xD'Eld	8	8½
xDelte	31	33
xDenis	10¼	10¾
xDev P	72	73
xDicken	355	365
D Seag	32½	32½
xDome	26	26½
xD Pete	735	755
Dominion		
D Ang	11¼	..
Do p	92	..
D Brge	17½	18¼
xD Coalp	280	350
Dom Corst	15½	16
D Dair	12½	12¾
Do p	26	28
D Elec	5¼	6
xDo w	270	300
D Fab	11¼	..
Do 2 p	22	..
D Fdry	46¼	46½
Do p	99¼	..
D Ins	296	..
Do p	91	..
Dup Fre A	6½	7
xDuvan	8¼	9¼
xDuvex	6	6¼
xDynam	62	63
xE Am	5¼	6¼
East Koot	10¼	..
xE Mal	168	170
xE Sull	161	165
Easy p	16	17½
Econ I	35¼	37½
xE Sol	5	5½
Emco	10¼	10¾
Em Life	67	69
Enamel & Heating	300	..
Eq Life	55	60
Erie A	5¼	7½
Do B	100	..
xEurka	16½	18
Falcon	38½	39
Fam Pla	17½	18
Fan F	17½	18
xFrdy	122	124
xFargo	360	375
xFwest	7	8
xFatima	32	33
Fed Fire	38	55
Fed Gr	48½	49½
Do p	27½	28
Fibre	400	500
xFirs	30	525
Fitting	61	62
Do A	8½	10
xFleet	51	52
Fwood	11	11¼
Ford US	68	69
Ford C	136	139½
Found	11¼	11½
xFrnc	4½	5
Fraser	23	23½
Frei p	95	..
xFr P p	350	360
xFrbshr	11½	12
Frost	20½	21
xFrue	345	425
xGaitwn	5½	6
Gatin	37	37½
Do 5 p	100½	102
Do 5½	106¼	107
Gaspe	18¼	19
Gaspe Fla	31½	32¼
Mining	40	45
Barvallee	3	4
Bateman	7½	8
Beatrice	2¼	4
Bellechass	21	25
Belle-Chib	3	4
Bornite	3	4
Burnt Hill	9	10
Calumet U	2½	4
Canalask	2½	3
Canuba	2½	4
Carbec M	6½	8
Cartier Q	9½	10
Cen Mani	3	3½
Chemalloy Min	208	210
Chib Cop	8	13
Chipman	4½	5
Cominga	2½	4
C Monpas	5	..
C Que Yel	4½	5
C Vauze M	87	94
Dolsan	5½	..
Duvan	7½	10½
Fab Met	6½	7½
Fano	2	4
Fatima	33	36
Fontana	2½	3
Fundy Bay	4	5
Golden A	40	42
Gui-Por U	4	6
Haitian	2½	3
Hillcrst C	350	400
I Ceramic	8½	12
Iso Ura	50	..
Kontiki L	3½	4½
Lngside C	3	3½
Lithium	44	45
Massval	10	12
Mid-Chib	18	22
Mogador	5	..
Monpre	6	..
N Formaq	6	6½
N Jack L	3	4
N S'Tiag	2½	3
NW Amul	17	18
Nocana	5½	7
North Am Asb	5½	6
North Amm Rare	31	32
Obalski	6	8
Opemisca	8½	9
Orchan U	150	170
Partridge	5	6
Paudash	14	15
Pennbec	8½	9
Pitt	2	3
P Prime	12½	13
Q Cobalt	214	220
Q Smelt	7½	8
Roberval	10	14
Red Crest	2	3
Sth Dfault	10	10½
Standard Gold	8	10
Sunloch	..	60
Tache Lake	6	9
Tazin	7½	8
Tib Expl	7	8
Trebor	3	3½
Vanguard	8	9
Virg Min	7	9
Wendell	2	3
Westville	3	3½
OILS	**Cents**	
Bluewater	25	28
Bonn'lle	16	19
Castle	3	5½
Faturity	16	18
Gaspe	3½	4
Gateway	3½	4
Lasrel C	8	12
Native Min	11	13
Phillips	42	48
Quebec Oil	2½	3
Titan P	12	14½
Geco	19½	19½
G Bak	71	72
G Dev	11	11¼
G Dyn	42	43
G Elec	68½	68½
GMC	42	42½
xGP Dr	61	65
xDo A	55	70
GP M A	25	27
Do B	34	..
GSW	7½	7¾
Do p	81½	84
xGenex	10	12
xGeo Sc	66	70
xGt Mas	30	34
Giant	13¾	13¾
xGlacier	17	18
xGlenn	4½	6
Globe A	10¾	11
xGldale	19	19½
Holt R	14¼	15¼
xGldry	17	18
Gdy	125	129
Do p	43½	45
G Mac A	6½	6½
Do B	7	7
Gftn A	13	..
Do B	11	..
xGranby	625	..
Gr Toy	44½	..
xGrdroy	10	13
xGduc	134	135
GLP	43¼	44
GL Pow	28	29
Do p	24½	24½
xDo w	825	845
GN G	5¼	5¾
Do p	35	38½
Do 280	41	43
xDo w	70	80
xDo Bw	100	110
xGr Pins	980	1000
xGW C A	495	500
xDo B	310	325
xGr W	150	160
G Wpg G	11½	12
Do vt	11¼	11¼
xDo 36w	385	390
xGrning	280	300
Greyhnd	12	12½
xGridoil	85	..
Guar T	34	34½
Do rts	200	210
xGulch	5	6
xGulf L	4½	6
xGunn	785	795
Gurney	7½	8¼
Do p	20	..
xGwilm	5	6
Hahn	10¼	10½
Do 1 p	15½	..
xHallnr	190	195
H Cot	15	16
Do p	88	..
Handy	..	..
Andy	11½	12
Hardee	13½	13¾
Do p	108½	118
H Carp	12	12½
xHd Rck	13	14
xHar-M	7	7¼
xHasaga	15	16
xH of L	7	8¼
xHdway	28½	27
xHeath	5	6
xHees	50	85
Hend p	102	103
xHigh-B	188	190
H D	47	50½
Hi-T	10	10½
Hold A	6½	7¼
xDo B	255	375
Holling	22½	222
Holt R	14¼	15¼
xHo O A	880	890
xDo B	830	850
xHorne	325	335
H Smit	38½	38¾
Do p	40¼	..
xHowey	253	255
Hud S	46¼	46¾
xHBO G	10¼	10¾
xH-Pam	9½	10
Hu O A	11	11¼
Do B	..	11
Do p	23½	..
Hur. Er	70	..
xHydro	30½	33
Imp B	70½	71
I Flo	32	34½
I In A	11¼	11¾
I Inv 6½	19½	21½
Do 140	21¼	21¾
Do 125	19½	20
Imp L	89½	90½
Imp O	39	39½
I Tob	13¾	13¾
Do p	5¾	6
I Acc	43¾	44¼
Do 450 p	90	93
Do 225 p	45¾	46¼
Do 275 p	50¼	52½
Do w	18½	19
Inger A	5¼	5¾
xInglis	465	475
Ingr B	6	..
Do p	12	14
Ini C p	15¼	16¼
xIn G	400	465
In Gp	16¼	16¾
xDo w	115	120
xInspir	30	31
Int Bro	12	12½
Do p	22½	22¾
xI Moly	4¾	5
I Nickel	61¼	61¾
I Util	37½	37¾
Do p	42½	43
Intprov	5¾	7
xDo 59w	30	35
Int Pl	62½	62¾
xIp SP	265	270
Inv Syn	38	40
Do A	32	32½
xIrish	74	76
xIrn B	245	248
Iroq G p	11½	12½
xIso	50	51
xJ Wai	29	30
xJacobus	78	80
Jam Pub	29	29½
Jam PS	110	..
xJaye	16	17
Jeff	6¼	6¾
xJellico	6¼	7
xJburk	9¼	10
xJock C	260	265
Do p	91	94
Do B p	8¼	8¾
xDo w	42	44
Jons-M	68¾	69¼
xJoliet	30½	32
xJonsm	9¼	10
xJows	26	28
xJump P	16½	19
xJupit	187	199
Kel D A	6¾	6¾
xDo w	315	330
Kelvin	6¾	7¼
xKenvil	6½	7
Ker Ad	13	13½
xKil	225	230
xKirk M	27	29
xKirk T	9	9½
xKopan	12	13
Labatt	32½	32½
Labdor	20	20½
Lfge	5¼	6
Do A	7½	7½
xDo w	75	90
xL Duf	40	42
xLkInd	195	205
xL Ling	9	10
xL Osu	17	19
xL Shor	380	420
xLa L	275	300
xLamq	390	405
Lamb L	28½	31
xLanda	155	175
xLangis	61	63
xLat Am	43¼	45
L Sec	16	16½
Laur A	12½	13¼
L J A	20	23
Do B	26	..
xLeitch	163	166
xLenc	5	6½
Levy p	22½	22½
Lewis Bro	6¼	9½
xLexndn	2½	3
xLLL	206	207
LobCo A	31¼	31¾
xDo w	950	975
Do B	33	33½
Do p	47	47½
LobG 1 p	30¼	31
Do 2 p	50	..
Do B p	31	31¼
LobGro	102	..
xLocana	89	95
Loeb	8¼	8¾
xL Hos	260	400
xDo A	7½	7¾
xLIP	8	9
xL Point	46	47
xLoradо	51	54
xDo w	6½	7
xLouvi	6	7½
Lr St Lawr	31	33¾
Lown	26	33
xLyndh	9	9¼
xLynx	7½	8
xMacas	295	305
xMacdon	21	23
xMacfie	4	4½
Mack Strct	7½	8¼
Do p	94	..
xMacL	125	126
Mac L A	23	24
MB & PR	161	162
xMadsn	315	320
xMagnt	6	7
Magnum	141	151
Maher	261	264
Mailp	78½	..
Mailman	23	..
Do cu p	26	..
xMajtrn	2	2½
xMalart	84	86
xMan U	4	4½
M Su p	95½	..
xMan Bar	27	28
M L G	28	30
M L M	15½	15¾
Do p	93	94½
xMralgo	10	10½
xMarby	18½	19
xMarcn	11¼	12
xMargld	6¼	7½
xMari	70	72
Maritime T&T	18¾	..
xMrtin	40¾	41
Mass-F	10½	10¾
Do p	102	106
Do 5½	101½	102
xMatat	6½	7
xMatta	640	650
xMaxw	300	300
xMaybrn	6	8
xMayfr	99	105
McB p	11	13
McC	30	..
McInt	294	30
xMcKen	18	19
xMMar	8	9
xMWat	32	33
xMedal	180	185
xMerit	17½	19
xMerrit	52	54
xMeta	10	10½
M LP	9½	..
Neon	13	13½
New		
xN Alg	4	4½
xN Ath	34	35
xN Bid	6½	7
xN Cal	33	34
xN Coge	4½	5
xN Cont	23	26
xN Dav	9½	11
xN Del	10	11
xN Gvue	4½	5
xN Harri	9½	10
xN Hos	51	52
xN Jas	7	7½
xN Kel	8½	9
xNlund	12	13½
xN Man	19	21
xN Myla	36	37
xNnor	5	5½
xN Rou	5½	6½
xN Sen	4	4½
xN Taku	16½	18
Nia W	11¾	12
Do B	11	12
xNick M	55	56
xN Rim	38	40
xNipis	79	85
xNisto	5	6
xNor-Ac	14½	16
Noran	41½	42
xNorbeau	42	43
xNogold	4	4½
xNorlar	20	21
xN'rnst	285	290
xNorpax	8	8½
xNorsyn	6	6½
xNorcal	7	8
North		
xNCO	200	205
xDo w	38	40
Do 2nd	27	29
xN Cold	94	95
xN Gate	46	47
xN Rk	22	23
xN Rk	51	52
xNsp A w	28	37½
N St p	47½	47¾
Northern		
xN Can	102	110
No NG	14	14½
NQ P	25½	25¾
Do 1 p	47	48
xNor Ph	5¼	5¾
xNthld w	235	275
xNthld	11	15
Nthld U	16½	20
NW U p	76	77
xNorval	8¼	9
xN Bcage	30	35
NS Light & Pwr	16¼	17
xNudul	14¼	15¼
xObask	6	7
xOBrien	57	58
OC Cem	10	10½
Off Sp	10¾	12½
xOka R	8¼	10
xOkalt	36	37
xOLear	12¼	13
xOB S	80	..
Do p	91	101
O Loan	30½	31
O Stl	20½	20¾
Do p	123	130
xOpem	550	555
xOrchan	152	154
xOrena	7	7½
xOrms	23	26
Oshawa A	8	8¼
xOsisk	29½	31
Oviand	5¼	6
Do p	8¼	8½
xPac N	66	69
Pac P	111	111
xDo w	550	630
Pge Her	24½	25
xPall	28½	39
xPamoil	38	40
xPmour	88	91
xParam	7	8
xPardee	19	21
xParker	355	365
xPatno M	360	385
xPato	275	290
xPymst	18¾	19
xPce Exp	12¼	13
xPriess	11	12
Pbina	9¼	9½
Do p	46	48
Pnmns	30	32
Do p	108	117
PC J	17	18
Do p	..	100
xPmo p	56	59
xPerron	13	14
xPeruv	125	135
xPetrol	58	59
xPhil	45	47
Phn Eng	15	15½
xPck Cr	63	65
xPit-Or	4½	5
xPlace	36½	39
Placer	14¼	15
xPonder	47	48½
xP Rou	39	45
Pow Cp	51½	52½
xPrairie	220	237
Prem T	176	..
xP Iron	295	310
xPres El	15	16
xPrest	545	550
Price Bro	81	83
xProv G	212	215
Prov Trns	15	15½
Do p	45	46
xPrdex	5	5½
xQ Ascot	8	9
xQ Chib	15½	16
xQ Lab	3	3½
xQ Lith	285	300
xQ Man	8	9
xQ Met	67	70
Qn Gas	7½	7¾
QNGun	471	471
xDo w	175	180
Que Pwr	38½	39½
xQunst	16½	17
xQuem	960	990
xQuin	310	..
Do A	104	104
xQnto	6	8
xRdior	51	52
xRainv	12	13
xRanger	85	100
Rap-Gri	14¼	15
xRayro	65	66
xReaim	26	27½
xReef	3¼	4
xReeve	162	170
Réichld	14	14¼
Reitmn	16½	22
Do A	14½	14½
xRenab	157	170
xRexsp	18	21
Reyn p	84½	87
xRio Alg	850	860
xRio R	11¼	12
R Yarn A	6	7
xDo B	..	250
xRix	294	30
Robetsn Ja	12	13
Robetsn	8¼	10
Do A p	19½	19½
Do 2 p	12	13½
xRobin	390	500
Little	13¾	14½
Do A	15	15½
xRoche	12½	13
xRckwn	17	18
xRky p	4¼	5
xRoe AV	49¾	54
Do p	76	78
Roll Pap A	41¼	..
Do B	40½	..
Do p	81¼	83
Roy Bk	74	74½
Roy O A	10	10½
xRoyalit	640	650
Russell	91	93
& anr	18	18½
StL C	10¼	11
Do p	19½	19½
Do A p	99½	100
xSt Maur	72	75
Sal	12½	13
xDo w	725	740
xSan A	149	152
xSand R	6½	7
xSapph	54	56
Do deb	45	47½
xSarcee	75	78
xSatel	21	22
Sefe A	10	11
Scythe	13	13½
Do p	20½	23
xSec F	375	390
xSelk A	450	465
7 Arts	9	9½
Shawin	28½	29½
Do A	28½	30
Do p	41¼	42
Do B p	46	49½
xShp Cr	88	92
Shertn	17½	17¾
Sher-Wms	29½	32
Do p	125	130
xShrt	390	400
Sicard	6¼	6¾
Sicks	25	..
xSigma	450	455
Siknt	19½	22¼
Do p	35¼	..
xSil Mill	43	44
xSil St	29	32
Silwd A	10¾	11
Do B	..	11
Simon & Sns 5½p	85½	95
Simpsn	29½	29¾
xSiscoe	120	121
xSKD	275	280
Slater Ind	7½	7¾
Do pr	19¼	20
Sit	26¼	28
Do p	41	42
Sogemines	17	17½
Smvill p	50¼	51¼
Stham	23¼	..
Sou Can	55	..
xSth U	17½	18
xSpartan	71	74
xDo w	14	15
Month Ago	509.25	87.87
Year Ago	521.60	89.26
1960-61 High	536.13	97.35
1960-61 Low	471.44	74.88

DIVIDEND NOTICES

dividend notice

Notice is hereby given that a Dividend at the rate of 47½ Cents per fully paid share in the Capital Stock of the Bank has been declared for the quarter ending January 31st, 1961, payable at the Head Office and Branches of the Bank on and after February 1st, 1961 to shareholders of record at the close of business on December 31st, 1960.

By Order of the Board
Toronto, Ontario
15th December, 1960

A. T. LAMBERT,
President

THE TORONTO-DOMINION BANK
THE BANK THAT LOOKS AHEAD
K-6275

INVESTORS MUTUAL OF CANADA LTD.

Dividend No. 43

Notice is hereby given that a dividend of 9c per share has been declared on the outstanding Capital Stock of the Company payable on February 8th, 1961 to shareholders of record at the close of business on January 31st, 1961.

E. G. O. Howard,
Secretary.

Winnipeg
January 6th, 1961.

CANADIAN OIL COMPANIES, LIMITED

Notice is hereby given that a dividend of twenty cents (20c) per share has been declared on the Common shares without nominal or par value of the Company, payable February 15, 1961, to shareholders of record at the close of business January 17, 1961.

By Order of the Board.
DOUGLAS ROBINSON,
Secretary.

Toronto, January 10, 1961.

LAUREL FINANCE CORPORATION LTD.

Notice is hereby given that the Board of Directors declares a dividend of 5c per common share for the year 1960. This dividend is payable to shareholders of record at the close of business Dec. 31, 1960. This dividend is declared after completion of the first year of operation of the company.

THE BOARD OF DIRECTORS.

ROBERT W. BONE
Secretary-Treasurer

Saskatoon, Sask.
Dec. 31, 1960.

McINTYRE PORCUPINE MINES, LIMITED

DIVIDEND NO. 190

Notice is hereby given that a dividend of twenty-five cents (25c) per share in Canadian currency will be paid on March 1st, 1961 to shareholders of record at the close of business February 1st, 1961.

By Order of the Board.

F. T. McKINNEY,
Secretary.

Dated at Toronto, Ontario, January 13th, 1961.

GENERAL STEEL WARES LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of One Dollar and Twenty-five Cents ($1.25) per share was declared on November 24th, 1960, for the quarter ending January 31st, 1961, on the outstanding Preferred Stock of the Company, payable February 1st, 1961, to shareholders of record January 4th, 1961.

By Order of the Board,

AND

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 39

Industrial Stocks

WEEK ENDING JANUARY 13, 1961

Range 1960-61 High	Low	Div. Y'ld R'teJan13 $	%	Company	Sales	Last Jan. 6	Week end. Jan. 13 High	Low	Close or Latest
41¾	34¾	1.70	4.2	Abitibi	10309	40¾	41	40	40¼
25	21¾	1.12½	4.8	Do. 4½% pref.	247	23½	23½	23½	23½
18⅞	9½	.60	3.3	Acadia Atlan.	41465	14¾	16⅛	14⅞	15⅛
20¼	17¾	1.20	6.1	Do. 5% Pref.	nil		B91¼	A93	93
				Do. (A)	1135	19½	20	19½	19¾
21	17⅛	.70	3.6	Admiral	nil		B12¾	A12¾	...
2.00	2.00			Agnew Surp.	360	19¾	19¾	19¾	19¾
.75	70			Alaska Y. Pipe	nil		...	A2.00	2.00
6¼	3½			Alaska Refin.	nil		...		...
2.90	1.80			Do. pref.	25	3½	5	5	5
2.50	1.50			Alba. Dist.	5590	2.00	2.10	1.90	1.95
1.20	.50			Do. V.T.	2440	1.85	1.70	1.60	1.60
28½	16½			Do. S. Pur. W.	5400	.80	.65	.55	.62
107	100	6.25	5.8	Albt. Gas Tr.	22508	26	26⅞	26	26⅜
9.10	3.50			Do. A pref.	552	106¼	107	106	107
16⅛	13¾			Do. A Warr.	27074	8.75	9.10	8.35	8.40
19¾	15¼	1.00	6.1	Albt. Nat. Gas	12940	15¼	16⅛	15⅜	16⅛
60	52½	3.00	5.3	Algoma Cent.	703	17¾	17	16½	16½
6.10	3.50			Do. 6% Pref.	135	56	56¼	56	56¼
40½	30	1.20	3.4	Do. Warr.	805	4.15	4.30	4.10	4.15
8¾	7	*.30+2.05		Algoma Steel	13015	34¼	35½	34¼	35½
19	18½	1.30	6.8	Algonquin	540	8¼	8½	8¼	8½
2.50	2.00			Do. pref.	nil		B19¼	A20½	20½
34½	27¼	4.60+*.10		Do. Warr.	nil		B2.00		1.05
23	19½	1.00	4.4	Aluminium	60973	32¾	34½	32¾	33¾
47	40	2.25	4.9	Alum of Can 1 p	195	21½	22½	21¾	22½
9.12½	2.75			Do. 2nd pref.	1165	45¾	46½	46	46
4.00	1.00			Analogue	300	3.30	3.50	3.25	3.50
8	6¼	*.40		Do. Warr.	nil		B1.00	A2.00	1.05
28	28	.50+1.25		Andian Nat.	nil		B7¼	A9	8
				Anglo Can. Oils. (Brandon)	nil		B27	A32	†27
47½	35	2.00	5.0	Ang. Can. Pulp.	31031	41¼	41¾	39½	40
52¾	49	2.80	5.4	Do. pref.	145	51½	51½	51¾	51½
43	37	2.25	5.4	Ang C T 4½%pp	45	41	42	41	42
52½	47½	2.90	5.7	Do. $2.90 pref.	220	50½	51	50½	51
8	6	1.30+*.10		Ang. Nfld.	8220	6¾	7	6¾	6¾
†8	†8	*.25		Angl-Scand. Inv.	nil		B91¼	A93	†104
38	25½	1.44	4.8	Anthes Imp. A.	135	29½	30	A6¾	†8
30½	30	3.007+*		Do. (B)	nil		B20	A20½	20
95	85	5.50	5.7	Atlas Steels	2872	23½	23½	23	23¾
35½	26½	1.20	3.0	Atlas Tele.	5950	.46	.50	.40	.48
49½	43	2.50	5.1	Auto Electric	790	6¾	6¾	6¼	6¾
26¾	20¾	1.20+1.20		Auto Fabric A	nil		B7	A7½	7
11	7½	1.40	5.3	Do. (B)	900	3.45	3.50	3.45	3.50
3.20	2.50			Avalon Tele.	15	7	7½	7	7½

B

55¾	47¾	1.60+*.40		Bk. Cdn. Nat.	2728	55	55¾	55	55¾
61¾	47¼	1.80+*.40		Bk. Montreal	17617	59¾	61¾	60	60¾
71¼	56¾	2.20+2.10		Bk. N. Scotia	8740	67¼	68½	67¼	67¾
41	33½	1.20+1.25		Bk. Provincials.	2003	38½	39¾	38½	39¾
		4.00+*1.00		Barber-Ellis	nil		B80		...
5.30		3.50		Do. pref.	nil		...		...
	4.95			Barcelona	nil		B4.00		...
47	37	2.00	4.5	Bates & Innes A	nil		B2.65	A3.00	2.75
38	23			Bathurst Pr. A	2062	41	44½	41½	44½
18½	4¾	*.20		Do. (B)	515	33½	34	33	33¾
21½	16	1.00+1.25		Beatty Bros.	6505	6½	7½	6½	7½
18½	16	1.00	5.4	Beaver Lumber	950	†21½	21½	21¼	21¼
27½	25	1.40	5.4	Do. (A)	nil		B18½	...	...
15	10¼	*.30+.40		Do. pref.	nil		B26	...	26
13	10½	.70	5.8	Belding Cort.	nil		B10½	A12	11
14½	8			Do. Pref.	nil		B10½	A11½	12
49¼	13⅛	1.00	7.1	Belgium Stores	nil		B10½	A11½	12
6¾	42¾	2.20	4.5	Do. Pref.	nil		B8½	A10	8
14	6¼	.40	6.4	Bell Telephone	41376	B14	...	...	...
14	12½	1.00	7.4	Biltmore Hats	300	48¾	49¼	48¾	48¾
55	51	2.40+2.40		Do. A Pref.	nil		B6¼	A7½	6¼
8¼	3¼	*.20		Bird Constr.	nil	13¼	13½	13½	13½
1.40	1.20			Blue Bonnets	25	7	6½	A5¼	5½
10¼	6¼	.42+stk		Do. Warr.	nil		B7	6½	6½
48¼	41	2.50	5.3	Bowater Pap.	3445		A1.25	1.25	1.25
52	45	2.75	5.4	Bowater N.A.5%pf.	1408	47¾	47¾	7½	7¾
50¼	45	2.75	5.7	Do. 5½% Pref.	359	46¼	47¼	46½	47¼
32	26	1.00+2.50		Bowaters Mer. P.	355	48	48¾	47¾	48
7¼	6¼	.60	8.9	Bowes Co.	nil		B25	A35	30
5.00	3.50			Boyles A	200	6¾	6¾	6¾	6¾
3.50	3.50	.25	8.2	Do. (B)	nil		B3.50	A4.50	3.75
†90	†74	6.00	8.1	Brazilian Tr.	19542	4.15	4.20	3.85	3.90
7½	5½	.40	5.5	Do. Pref.	nil		B73		75
47½	41	2.90	6.4	Bridge & Tank	15245	5¾	7¼	5¾	7¼
49¼	35½	2.00	5.1	Bright T. G.	25		B42¼	A45	45
21½	20½	1.15	5.4	Do. 5% Pref.	25	44¾	44¾	44¾	44¾
35½	28	1.00	3.2	Br. Am. Bk. Notes	100	†20¾	21¼	21¼	21¼
78½	69	4.00	5.2	Brit. Amer. Oil	55372	52	52	52	52
42¾	36	2.12½	5.2	B.C. Elec. 4% Pf.	2030	30¾	32½	30¾	31½
45½	37	2.25	5.2	Do. 4¼% Pref.	301	42	42	41	42
50	42½	2.50	5.1	Do. 4½% Pfd.	448	44	44½	43	43½
53	47	2.75	5.3	Do. 5% Pfd.	1235	49¼	49½	48¾	49
14½	9¾	.50	3.8	Do. 5½% Pfd.	465	52	52½	52	52
15	14	.75	5.0	B.C. Forest	11325	12½	13¼	12	13½
37½	30¾	1.40	6.7	B.C. Packers A	330	14½	15	15	15
47¼	42	2.20	4.7	Co. (B)	546	14¾	15	15	15
1.30	.90			B.C. Power	14511	34¾	36¾	34¾	36½
11½	9¼			B.C. Tele.	2957	47¼	47¼	46¾	47½
18	17	1.04	5.4	B.C. Turf	200	.93	.92	.92	.92
17	9¾			Brockville Ch. Pf.	2165	9¾	9¾	9½	9¼
11	7½	1.00		Brooke Bond Pf.	40	†18¾	†19½	†19½	†19½
3.00	1.80			Bruck Mills A	980	13¾	14	13¾	13¾
35	29¼	1.80	5.3	Do. (B)	100	8	7¾	7¾	7¾
9	5	.80	10.0	Build. Prod.	765	2.20	2.80	2.15	2.45
5.00	4.90	.35	8.2	Bulloch's A	3370	33½	34	33	34
18	14¼	.60+.25		Do. (B)	100	5	5	5	5
16¼	11	.50	4.3	Burlington Stl.	nil		B4.25	A5.00	14.25
7	5½	.45	6.9	Burns & Co.	540	16	17	16½	17
9½	8½	.20		Burrard Cl. A	2269	11½	11¾	11¾	11¾
2½	2			Burrard Mtg.	1025	6¾	6¾	6¾	6¾
2.50	2.10			Butterfly Hos.	44	9	8½	8½	8½
					nil		B2.00		2½

C

25	16½	.40	1.6	Calgary Pwr.	9615	24½	24¾	24	24¾
103	93	5.00	4.9	Do. 5% Pref.	201	102	103	101¾	102¼
Canada									
4.25	3.35	.10	.25	Canada Bread	nil		B3.80	A4.25	4.00
35	28¼	2.50	5.1	Do. Pref. B	14	50	49½	49½	49½
27½	24½	1.00	3.8	Canada Cement	2764	25¾	26¾	25¾	26¼
18½	12½	1.20	5.1	Can. Cr. & C. Stone	308	26	26¾	25¼	25¼
13½	11½	.60	3.5	C. & D. Sugar	2622	16	16	15	15
22½	18½	.60+.20		Can. Floor B	nil		B8½	A11	10
21	19	.60+1a4.52		Can. Forg.	60	20	20	20	20
19	17			Do. (A)	50	19½	19½	19½	19½
23¾	18	11.12½		Can. Iron	9080	19¾	19	19	19
27½	25	1.00	5.1	Do. 4½% Pref.	130	75	19¾	18¾	19¾
17	10	*1.00		Can. Machine	nil		B13		75
83	70¼	4.25	5.6	Can. Malting	1003	64	66½	64	66½
50	42¼	2.00+2.50		Can. Packers A	900	49	49¾	49	49
64	41¾	1.75		Do. (B)	575	47¾	49¼	48¾	49
47	47	2.00	3.3	Can. Perm. Mtg.	2708	63	64	60	61
92½	80	4.40	4.9	Can. Sinfeway Pf.	115	90½	90½	90½	90½
43½	39	1.40	3.1	Can. Steamships	4290	40¼	45	40½	45
38	29¼	1.20+.20		Do. Pref.	196	32	32½	31	31½
7¾	7¾			Can. Vinegars	96	30	31½	31	31½
		4.00		Can. West Cord A	nil		...		17½
9¼	6¼	.20	2.5	Can. W. Cable A	nil		B7¾	A7¾	7½
				Do. (B)	nil		...		...
Canadian									
†160	†60	*4.00		Canadian Arena	nil		B170		160
22½	13			Cdn. Aviation	550	20	21	20½	20¾
8	4½			Cdn. Bakeries	nil		B5½	A6½	6¾
61	46¾	1.80+1.25		Cdn. Bk. Com.	1287	59¾	61	59¾	60¾
45½	31	1.85		Cdn. Breweries	25152	44¾	45¼	44½	45
18	16			Cdn. Br. Al. A	1305	10	10½	10	10½
7.05	2.00			Do. Warr. A	1740	2.80	3.50	3.00	3.00
6.60	2.00			Do. Warr. B	2505	2.70	3.00	2.65	2.65
85	80	5.00	5.9	Do. Pref.	350	18½	18¾	17¾	18¼
14	12	.75	5.6	Cdn. Canners A	1150		B87¾		85
23½	18½	1.05+.25	5.2	Cdn. Celanese	4480	13¾	14	13¼	13½
33	28	1.75	5.3	Do. $1.75 Pref.	1460	32¾	33¾	32¾	32¾
7½	5	3.00	5.1	Do. (B)	nil		B19½	A20	19½
2.50	1.75			Cdn. Chem. Ltd.	4200	6¼	6¾	6¼	6¼
11½	8			Cdn. Warr.	25400	2.10	2.50	2.15	2.30
.85	.70	.05	.06	Cdn. Collieries	5760	6¾	6¾	6½	7¼
4.00	3.50			Do. Pref.	2550	1.60	.77	.75	.77
4½	4			Cdn. Convert A	nil		B3.75	A4.50	3.50
2.75	2.75			Do. (B)	nil		...		...
18	14	1.00	6.7	Cdn. Curtiss.	9050	.87	.98	.86	.93
12¾	9¾	.60+1a4.19		Cdn. Drawn Stl.	nil		B14¾	A14¾	15
16	11	1.00	7.3	Do. Pref.	3100	13	13¾	13½	13¾
11½	8½	.70	6.2	Cdn. Dredge	2580	10½	11¼	10¾	11¼
8½	5¾	.60	7.1	Cdn. Fairb. A	985	7½	8¼	8	8¼
5.12½	3.10			Do. (B)	3025	4.95	5.00	4.50	5.00
42	33	NEW		Cdn. Food Prod.	135	44¾	45	44¾	44¾
4.95	4.50	NEW		Do. 1st Pref.	135	44¾	45	44¾	44¾
†1000	†900	8.00+14.00		Do. 2nd Pref.	6120	40	42	39	42
17	13¼	1.00	6.5	Cdn. Gas & E.	1670	4.60	4.95	4.50	4.80
12½	10	1.00	4.9	Cdn. Gen. Elec.	nil		B730	A1180	†900
16	7½	.20	2.0	Cdn. Gen. Inv.	1200	30½	32½	30	30½
.57	.30			Cdn. G. Sec. A	nil		B20	A21	15½
7	6½	.10		Do. (B)	nil		B20	A21	20½
11½	10½	.80	6.8	Cdn. Hydrocarb.	2860		B7½		7½
5.25	3.70			Do. Warr.	2075	.38	.40	.35	.40
14½	12½	.50	3.4	Cdn. Ind. Gas	30682	11½	11¾	11¾	11¾
77	69½	3.75	5.0	Cdn. Indust.	3976	4.15	5.25	4.15	5.12½
40½	37¼	1.00+1.25		Do. Pref.	1035	14¾	14¾	14¾	14¾
21	16	*1.10		Cdn. Ingersoll R.	nil		B76		14
78¾	77½	5.00	6.5	Cdn. Int. I. Tr.	nil		B40		40
16	9			Do. Pref.	nil		B17¾	A19½	17¾
43½	37	3.00	8.1	Cdn. Int. Pwr.	1285		B78½		78
1.60	.58			Do. Pref.	705	10¾	11¼	10¾	11
9	6			Cdn. Kodiak	100	37½	37¾	37	37
7.80	4.40			Cdn. Locomo.	400	.88	.95	.87	.96
25	19	.80	3.3	Cdn. Marconi	2530	5.00	5.12½	4.85	4.95
100½	80	5.00	5.0	Cdn. Oil	5803	24¾	25	23½	24
144	138	8.00	5.7	Do. 5% Pref.	nil		B81	A82½	80
26½	20¼	1.50	6.7	Do. 8% Pref.	45	100	100	90¾	90¾
13½	7			Cdn. Pacific	28411	138	140¼	140¼	140¼
7⅛	5	.30	3.5	Cdn. Petrofina Pf.	3722	21¾	23¾	21	22¾
2.95	1.90			Cdn. Pr. & Pa. Sec.	300	8	8½	8¼	8¾
3.25	.25			Cdn. Propane	nil	5¼	5¾	5¾	5¾
46	33	.70	1.5	Cdn. Salt A	225	40	43	43	2.80
42	33¼	.70	1.5	Cdn. Tire	1211		B.25	A.25	.25
80	70	4.25	5.3	Do. (A)	588	39½	45	39¾	45½
86	83	3.00	5.6	Cdn. Util. 4¼%pf.	nil	37½	42	38	42
17½	12¾	1.20		Do. 5% Pf.	nil		B80	A83	80
37½	27¼	.50		Cdn. Vickers	430	16	18	15½	15½
43	27	1.50		Cdn. Wallpaper A	500	35	36½	36¾	36½
17½	14¾	.70	4.3	Do. (B)	550	16½	17¾	16¾	17¾
18½	13¼	.80	5.2	Cdn. West. Gas	3760	16½	17¾	17½	17¾
21	18¼	1.10	5.4	Do. 4% Pf.	355	16¼	16½	16¼	16¼
43¼	31½	1.60	2.6	Cdn. Westinghouse	225	20¾	20¾	15	15
1.20	1.00			Canarama	33	39	39	38	38
2.35	2.25			Do. Pref.	nil		B1.00		1.00
...	...	...	...	Do. Warr.	nil		B2.00		2.25

Range 1960-61 High	Low	Div. Y'ld R'teJan13 $	%	Company	Sales	Last Jan. 6	Week end. Jan. 13 High	Low	Close or Latest
1.55	1.30			Cantexas A	1000	1.30	1.55	1.55	1.55
10½	8¾	4.52		Capital Estates	250	9	9	9	9
1.00	.80			Carling Br. Alta.	nil		B.80	A.90	.80
1.00	(nm)			Do. V.T.	nil				1.00
12¾	12	.60+2aa.30		J. B. Carter A	nil		B12¾		12¾
55	47¼	2.00	4.2	Do. (B)	nil		B50		47¼
41	38	.50+$1.00		Catelli Food A	94	39½	39¼	39½	39½
85¼	80½	2.00	2.4	Chart Trust	nil		B85¾		85¼
24	22¼	1.00	4.6	Chateau-Gai	nil		B21¾	A22	†22¾
58	37½	.40+1.50		Chrysler Corp.	20	39¾	38½	38½	38½
3.00	3.00	1a		Cinzano A	nil		B1.85		3.00
1.65	1.65	5½%		Do. 5½% Pref.	nil		B200		1.65
7	4¼			Circle Bar Knit	nil		B6		7
7	5¼			Do. (A)	nil		B8¾	A10	†7¼
20	18½	*.		Cochrane-Dun	480	19	19	18½	18½
16½	13	.80	4.8	Do. (A)	nil		B15		16½
25¼	12½			Cockshutt Farms	1955	13½	14	13	13¼
4.50	2.15			B. J. Coghlin	150	3.00	3.00	3.00	3.00
9.25	7.00			Cold Lake Pipe	5750	2.15	2.40	2.30	2.30
4.50	3.70			Coll Terminal	nil		B13	A18	†14¼
15	†13½	1.00	7.0	Do. Pref.	67	15	14	14	14
4.90	†13½	1.00	7.1	Columbia Cell.	2630	3.95	4.05	3.90	3.90
11	7½	.60	6.7	Comb. Enter	1160		B155	A165	165
13⅞	11	.80+1.20		Conduits Nat.	930	11¾	12½	11¾	12
163	134½	2.00	1.2	Conf. Life	nil		B65		65
167	156			Do. Offered	nil		B155	A165	165
9	7	.50	6.3	Cons. Bakeries	400	8	8	7¾	8
.99	.75			Cons. Div. Sec. A	44	.99	.75	.75	.75
30	26	2.00	7.1	Do. Pref.	47	28½	28	25½	28
		*.25		Cons. Fire Ins.	nil		B3.75	A5.00	3.50
21¾	17	.80+2.10		C. Min & Smelt	22082	20¾	21¾	20¾	20¾
44½	36½	1.60+1.40		Cons. Paper	7897	43¾	43¾	41¼	42½
3.00	2.00			Cons. Textiles	900	2.75	2.75	2.75	2.75
20	13	1.00	7.7	Do. Pref.	nil		B111¼		13
16½	13¼			Consumers Gas	28989	16½	16½	16½	16¼
106	99	5.50	5.2	Do. A 5½% Pf.	250	103	105¼	105	105¼
106¾	99	5.50	5.2	Do. B 5½% Pf.	120	105	105	104½	105¼
19	*1.32½			Consumers Glass	340	19¾	20	19¼	20
42	33	*1.80		Cont. Can.	nil		B37¾	A38¼	†30½
7½	5¼	.40	5.8	Copp. Clark	510	6¾	7½	6¾	6¾
18¾	15½	*1.00		Corbys Vot.	2800	15¾	16½	15¾	16¼
18	15½	*1.00		Do. B N. Vot.	115	15½	16	15¾	15¾
12	8¾	.60	5.0	Coronation Mtge.	350	11¾	12	12	12
12¾	10¾	.70+1.10		Cosmos Imp.	679	12½	12	11¾	12
2.00	1.50	.08	4.7	Craig Bit	725	1.75	1.70	1.50	1.70
22½	16¼	.40	2.2	Crain, R. L.	505	17¼	18	17½	18
44¼	42½	2.00	4.8	Crane Co.	nil		B46½	A47½	44¼
5.00	4.50			Credit Accept.	200	9	11¼	10	11¼
110	100	*2.50		Credit Foncier	nil		B100	A103	101
1.50	.69			Crestbrook Tim.	850	.70	.75	.70	.70
12	.75			Do. Pref.	115	†9¾	12	†10	12
16½	13			Do. Warr.	1075	.04	.04	.04	.04
40	25	1.00	5.3	Crown Cork	nil		B37¼	A60	57
54	38½	+1.80	2.6	Crown Trust	1160	38	40	38	38½
20¾	17½	1.00	4.8	Cr. Zeller	1360	53¾	54	53½	53½
19½	15½	.60	3.3	Cr. Zell. (Can.) A	2234	19½	20¾	19¾	20¾
9¾	9¼	.50	3.2	Crow's N. Coal	100	18¾	18¼	18¼	18¼
104½	99½	6.50	6.5	Crush Int.	2175	6½	6¾	5¾	6¼
				Do. 8½% Pf. A	60	99½	99½	98½	99½

D

87	83	7.00	8.2	Dalex Co. Pref.	20	85½	85½	85½	85½
1.75	45			Dalfen's Ltd.	200	.50	.55	.55	.55
45	43	3.00	6.7	David & Fre. A	nil		B42	A45	45
200	200			De Havilland	1955		B180	A240	200
32¾	27½	1.20+1.50		Distill-Seagram	13570	3.00	3.00	3.00	3.00
12	11½	10.00+18.00		Dom. Ang. Inv.	nil	32½	32¾	32	32¾
92	90	5.00	5.5	Dom. Pref.	11		B111½		111½
21	15	.80+1.20		Dom. Bridge	8795	†92½	†85½	†85½	†85½
4.25	2.25			Dom. Coal Pref.	165	16¾	17¾	16¾	16¾
17½	15	1.00	6.3	Dom. Corset	nil	2.50	3.00	3.00	3.00
13¾	9¾	*.40		Dom. Dairies	526	16	16	16	16
27	26	1.75	6.6	Do. Pref.	nil	12	12¾	12½	12½
9½	5	.20	3.5	Dom. Electro	615		A28	26½	26½
5.45	1.80			Dom. Warr.	825	¾	¾	¾	¾
19	14¼	1.00	6.3	Dom. Engineer	460	2.30	2.70	2.50	2.70
12	12	.60	5.2	Dom. Fabrics	nil	15½	16	16	16
21¼	20	1.50	7.1	Do. 2nd Pref.	100		B111½		12
52	38½	1.40	3.0	Dom. Fdry.	5879	†22½	21¼	21½	21¼
90	97	4.50	4.5	Do. 4½% Pref.	30	47¾	48¾	47	47¾
64	64	2.20+1.60		Dom. Glass	660	99¾	100	99½	100
325	12¾	.70	4.8	Dom. Oilcloth	1262	68½	69	68	68
8	285	8.00	2.5	Dom. Insur.	nil	14½	14½	13¾	14½
40½	6¾			Dom. Magnes.	30		B296		325
33	19½	1.30		Dom. Oilcloth	1262	7¼	7¾	7¼	7¼
45	25	.80+2.20		Dom. Scot. Inv.	25	22½	23½	22½	22½
40¾	40¼	2.50	5.8	Do. Pref.	25	31	31	31	31
10	10	.40	3.5	Dom. St. & Co.	1591	44	44½	44½	44½
69¼	11	1.25	1.9	Dom. Stores	4188	11	11¾	11	11½
16¼	12½	.40+2.05		Dom. Tar & Ch.	27269	68½	69¼	66	67¼
20¾	18½	1.00	5.1	Do. Pref.	84	14½	16	15	15¾
10¾	8¾	.60	5.5	Dom. Textile	13144	20	20	19¾	19¾
138	110	7.00	5.2	Do. Pref.	nil	10¼	10¾	10¼	10¼
18	13½	.60+1.30		Donohue Bros.	1075		B133¼		135
13½	11	.60	4.9	Dover Ind.	180	17¾	18	17¾	18
10	9	.60	6.4	Do. Pfd.	1610	12	12¼	12¼	12¼
12	8¾	.60	5.0	Dow. Brew.	60		B94½	A93¼	93¾
46½	45	1.50	3.2	Do. Pont of Can.	4215	46	46½	46	46½
26¼	19¼	.50	2.5	Do. Pfd.	115	20¾	20½	20	20¾
77	71	3.75	4.9	Dupuis Fre. A	25	77	76	76	76

Mining Stocks

WEEK ENDED JANUARY 13, 1961

1960-61 Range High	Low	Company & Dividend ($)	Sales	Jan. 6 Last	Jan. 13 Week Ending High	Low	Close or latest
.40	.08	Abacus	19000	.12	.12½	.08	.12
.11½	.05	Acadia Ur. .	9750	.07	.08	.08	.08
.06½	.02½	Ad Astra ...	nil	...	B.02½	A.04	.02½
4.00	2.60	Advocate	4780	2.86	3.00	2.80	2.90
.15	.10	Agassiz	nil	...	...	A.10	.10
.78	.48	Agnico *.04 .	116183	.62	.75	.62	.71
.85	.34	Akaitcho ...	19000	.48	.53	.48	.50
.07½	.03½	Alba	10600	.05	.05	.04	.05
.20	.03½	Alscope	21000	.04½	.06	.04½	.06
.26	.16	Amal. Lard..	5100	.17½	.20	.18	.20
.11	.05	Amal. R.M. .	5425	.07½	.07	.07	.07
.04	.02	Amer'm.	nil	...	B.02½	A.04	.02
.65	.33	Am Neph. *.02	6900	.41	.42	.41	.41
.90	.31	Anacon	28425	.45	.46	.43	.45½
13.12½	8.50	Anglo-Hur. .50	2020	8.15	8.70	8.25	8.70
.27	.12	Anglo-Rou. ..	1500	.14	.13	.13	.13
.38	.07½	Ansil*	1915056	.33½	.33	.13	.16
.03½	.02	Anthonian ..	500	.03	.02½	.02½	.02½
.07	.02½	Arcadia warr.	2000	.02½	.03½	.03½	.03½
1.02	.65	Area	5300	.70	.73	.71	.73
.11	.06	Arjon	9400	.08	.09	.07½	.09
.08	.03	Arno	5500	.03	.04	.03	.04
.80	.25	Assoc. A'cadia	19395	.31	.25	.28	.30
2.10	1.05	At. Coast Cop.	4920	1.24	1.24	1.15	1.20
.12	.02	Atlas Sulp. .	9000	.03	.04	.03½	.04
.09	.05	Atlas Y'le ..	nil	...	B.06½	A.08	.08
.14	.06	Atlin-Ruff. .	13500	.11	.11	.09	.10
.38	.31½	Augustus	16366	.32	.35	.32	.34
.11	.05	Aumacho	18400	.07	.09	.06½	.09
.19	.03½	Aumaque ...	11700	.06½	.07½	.06½	.07
3.25	2.21	Aunor .16 ..	11450	2.95	3.05	2.90	2.98

B

.20	.09	Baker Talc .	1000	.11	.12	.12	.12
.06	.03	Band Ore	nil	...	B.03	....	.03
.44	.19	Bankeno* ...	26311	.36	.41	.36	.41
.14	.07½	Bankfield	3000	.14	.13	.13	.13
2.12	1.30	Barnat	163385	1.63	2.12	1.85	2.02
.05	.02	Barvallee	nil	...	B.03	A.03½	.03
.55	.37	Barymin *.03	10500	.37	.43	.39	.42
.17	.07	Base Metals .	16400	.08	.10	.08½	.09
.14	.06	Baska	122400	.10	.14	.10	.14
.43	.06	Bateman	12600	.06	.07½	.07	.07½
.05	.02	Beatrice	3500	†.01	.02½	.02½	.02½
.24	.06	B'tie-Dug. ..	16300	.09	.11	.09	.11
.45	.25	Beauce Placer	nil	...	B.40	A.45	.45
.18	.04	Beaver L'ge.	21000	.06	.07	.05	.05
.75	.43	Belcher	20700	.58	.57	.50	.53
.54	.14	Bellechasse .	3000	.20	.22	.21	....
.03½	.03	Belle-Chib. .	1200	.03	.03	.03	.03
.40	.16	Belleterre ..	nil	...	B.18½	A.28	.18½
.92	.50	Bethle'm	60800	.68	.78	.68	.70
.19	.10	Bevcon	9407	.13	.14	.13	.14
.15½	.04½	Bibis-Yuk. .	19100	.08	.08	.07	.07½
.67	.42	Bicroft	14300	.62	.64	.60	.61
.31	.07	Bidcop	71540	.09	.10	.09	.09½
.27½	.04½	Black Bay ..	20000	.08½	.08	.07	.07
.09	.03	Bordulac	2500	.03½	.04½	.03½	.04½
.08	.02½	Bornite	nil	...	B.02½	A.04½	.03½
.65	.33	Bouzan	41300	.41	.45	.39½	.44
7.50	4.55	Bralorne-P .40	22638	7.10	7.50	7.10	7.50
.52	.18	Broulan	45980	.29	.38	.28	.35
3.40	2.60	Brunswick ..	16	2.85	2.90	2.80	2.90
.12½	.03½	Buffadison ..	4350	.07½	.07½	.07	.07
2.26	1.20	Buffalo Ank.	5800	1.30	1.40	1.30	1.40
.08	.04½	Buff. R.L. ..	nil	...	B.05½	A.07	.06
6.60	3.90	Bulolo 50 ..	1425	6.25	6.60	6.35	6.60
.13	.05	Bunker Hill .	21425	.12½	.13	.11	.12
.24	.06½	Burnt Hill .	6000	.08½	.10	.09	.09
.10	.05	Burrex	nil	...	B.07	....	.05

C

.20	.08	Cable	2000	.11	.11½	.11½	.11½
.16	.07½	Cadamet	23480	.09	.10	.09½	.09½
.05	.02½	Calumet	1050	.02½	.02½	†.01	.02½
7.20	4.30	Camp. Chib. Camp. R.L.	44187	5.95	5.95	5.70	5.75
18.25	9.75	.35 + $.05 ...	3210	16.75	18.25	17.50	17.50
		Canada					
2.20	1.23	Can. Tung. .	39425	1.45	1.45	1.23	1.35
		Canadian					
.08½	.04	Cdn. Ast ..	19533	.07	.08	.07	.08
.62	.25	Cdn. Dyno .	27750	.52	.60	.48	.57
.65	.32	Cdn. Mal. .	31100	.35	.42	.35	.39
.27	.08	Cdn. N. Inca*	12071	.12	.12½	.11½	.12
.43	.16	Cdn. N'west	24399	.37½	.39	.35	.35½
.06	.03½	Cdn. Thor ..	20300	.04½	.05	.04	.05
.07	.01½	Cagadas ex ..	17000	.03	.03	.02½	.02½
.22½	.09	Canam	37200	.19	.20½	.19	.19
.16½	.08½	Candore	6000	.10	.11	.09	.11
1.47	.48	Can-Erin ...	34457	.57	.57	.52	.52
.70	.10	Canorama ..	6100	.16	.20	.16	.19
.05	.02	Canuba	nil	...	B.02½	A.04½	.02
.06	.03½	Canusa	nil	...	B.04	A.05	.03½
.09	.05	Captain	4300	.07	.07	.06½	.07
.11	.05	Carbec	nil	...	B.06½	A.08	.06½
1.18	.73	Caribou	38150	.92	1.00	.91	.98
.23	.08	Cartier Q. .. Cassiar Asb.	500	.11	.12½	.12½	.12½
14.00	10.87½	.40 + $.05 ..	9319	13.37½	14.00	13.37½	13.87½
.49	.13	Cayzor	500	.25	.26	.26	.26
.05½	.02	Cen Man. ...	nil	...	B.03	A.03½	†.01
1.40	.82	Cen Pat	6550	1.05	1.07	1.00	1.00
.17	.08	Cen Porc. ..	144200	.14	.15	.13	.15
3.20	1.52	Chemalloy ..	44875	2.15	2.18	1.94	2.05
.05½	.02	Cheskirk	3000	.02½	.03	.03	.03
.09½	.03	Chess	9500	.03½	.04½	.03	.04
.43½	.22	Chesterville .	20103	.27½	.28	.26½	.27
.19	.07	Chib-Cop. ..	2000	.07	.12	.10	.12
.15	.08	Chib. K'rand	11000	.12	.11	.09½	.11
.80	.41	Chib. Min. .	3700	.45	.51	.46	.46
.67	.40	Chimo	77500	.60	.61	.56	.60
.11	.04	Chipman	1500	.04½	.04½	.04	.04½
5.40	3.00	Chromium ...	5330	5.20	5.40	5.05	5.05
.12½	.05	Cleveland ...	2750	.05	.07	†.02	†.04
3.50	2.90	Coast Cop. ..	100	3.25	3.25	3.25	3.25
4.15	2.72	Cochen'r *.14	39370	3.70	4.15	3.75	4.00
.19½	.12	Coin Lake ..	17500	.12½	.16	.13	.16
†.36	†.30	Coleman A .	nil	...	B.20	A.35	†.33
.36	.32	Do B	nil	...	B.20	A.35	.33
.42	.19	Comb. Met. .	6867	.24½	.27	.20½	.25
.09	.02½	Coninga	nil	...	B.02½	A.04	.04½
.77	.44	Conlagas	45300	.67	.77	.66	.69
.80	.43	Coniaurum ..	15000	.70	.80	.70	.80
.26	.12½	Con-Key	500	.17	.17	.17	.17
.08	.03	Cons. B'keno	4500	.04½	.05	.04½	.04½
.10½	.03½	C. Beta	1000	.06	.05	.05	.05
.12	.05	C. Callinan .	5500	.07	.07	.06	.07
.06½	.02	C. G. Cad. ..	nil	...	B.02½	A.04	.03
3.95	2.95	C. Disc'y .24.	29181	3.75	3.95	3.75	3.90
.37	.12	C. Fenimore.	8600	.18	.17	.15	.17
.07	.0-	C. Gillies....	2000	.05½	.05½	.05½	.05½
.52	.26	C. Gold. Arr.	10812	.36	.39	.34	.37
.72	.37	C. Hall'well.	74500	.51	.52	.48	.48
.87	.26	C. Marbenor.	73800	.56	.63	.50	.60
1.05	.50	C. Marcus ..	19800	.72	.83	.72	.81
2.24	.69	C. Mogul ...	15985	.80	1.10	.80	.97
.08	.04½	C. Monpas ..	nil	...	B.05	A.05	.05
.26	.10	C. Morrison .	19500	.14	.19	.12	.16
2.80	.99	C. Mosher ..	61047	2.11	2.40	2.10	2.27
.22	.11	C. Negus	12250	.12	.14	.12½	.14
3.45	1.05	C. New Pac..	860	1.22	1.50	1.40	1.40
.06	.02½	C. Nich.	5500	.05	.04½	.04½	.04½
.54	.23	C. Northland	24150	.28	.32	.26½	.30
.15	.07	C. Pershcourt	nil	...	B.09½	A.11	.09
.47	.22	C. Que. G. ..	3300	.35	.47	.34	.47
.06½	.03½	C. Que. Y. ..	nil	...	B.04	A.05	.03½
.10	.04	C. Red Pop..	2500	.06	.06	.05½	.05½
.11	.05	C. Regcourt ..	27000	.07½	.09½	.07	.08
.09½	.04	C. San'rm .. C. Smelt.	2500	.06	.06	.05½	.05½
21.37½	17.00	.80 + $.10 ...	22082	20.62½	21.25	20.37½	20.62½
.20	.10	C. Stand. M.	333	†.09	†.09	†.09	†.09
1.30	.63	C. Vauze	1500	.85	.94	.80	.80
.47	.15	Cont. Con. M.	3167	.25	.25	.21	.21
.45	.18	Cont. Potash .	4290	.23	.26	.23	.26
4.40	3.00	Conwest *.12	1140	3.90	3.85	3.50	3.50
.34	.12	Copper Corp.	14500	.14	.13	.12	.12
.14	.06	Copper Man.	10874	.07½	.09	.08	.08½
1.80	.80	Cop Rand ..	22236	.86	.87	.82	.85
.42	.25	Coulee	4300	.29	.30	.29	.29
.19	.12	Courvant	nil	...	B.15	A.18	.16
.69	.17	Cowichan	26200	.21	.25	.21	.24
6.75	3.40	Craigmont ..	9480	6.25	6.80	6.15	6.50
.10	.07½	Crestaurum.	nil	...	B.09	A.10	.08½
.13	.05	Croinor	2000	.07	.07½	.07½	.07½
.13	.08	Crowpat	7700	.09	.09½	.08½	.08½
.07½	.03	Cusco	39400	.03½	.06	.04	.04

D, E, F

.20	.08	Daering	5506	.12	.11½	.11	.11½
.33	.16	D'Aragon	8500	.18½	.18	.17	.18
.14	.06½	Decoursey B.	5000	.08	.12	.10	.10
.29	.19	Deer Horn .	240900	.27	.28½	.26	.26½
.14½	.06½	D'Eldona	1000	.08½	.09½	.09½	.09½
.55	.27	Delnite* †‡ ..	10836	.30	.35	.31	.33½
10.75	8.55	Denison *1.00	27574	9.50	10.62½	9.50	10.50
3.75	2.95	Dickenson ..	23773	3.50	3.75	3.45	3.65
.12	.08	Dickstone C.	nil	...	B.05	A.10	.12
.09½	.05	Doisan	nil	...	B.05½	....	†.03
27.87½	16.75	Dome 70 ...	12038	25.75	27.87½	26.00	27.00
.11	.05	Donalda	5100	.06	.06	.06	.06½
.22	.08	Duvan	1500	.11	.10	.09½	.09½
.08	.04	Duvex	24112	.05	.07	.06	.06
.10	.04½	East Amph..	32500	.05	.05½	.05	.05½
1.80	1.33	East Mal. ..	32650	1.65	1.80	1.65	1.75
2.07	1.40	E Sull. *.10	6725	1.61	1.67	1.55	1.65
1.54	.89	Elder	8000	1.01	1.05	1.02	1.05
.25	.10	Eldrich	36500	.15	.17	.13	.13
.09½	.04	El Sol	17500	.05	.05½	.05	.05½
.33	.15	Eureka	3000	.15½	.18	.18	.18
.16	.06	Fab. Met. .. Falconbridge	nil	...	B.06½	A.07½	.07
39.25	27.50	1.20 + $.30 .	15232	37.75	39.25	37.75	38.75
.05	.01½	Fano ..... Faraday†	1000	.01½	.02	.02	.02
1.45	.62	.15 + $.07½ ..	31550	1.23	1.22	1.10	1.20
.13	.06	Farw't M. ..	1500	.07	.07	.07	.07
.85	.27	Fatima	96500	.34	.37	.33	.36
.00½	.00¼	Flin Flon	nil	...	B.00¼	....	.00¼
.05	.02	Fontana '45 .	nil	...	B.02½	A.03	†.01
.74	.50	Forty-Four .	nil	...	....	A.75	.74
.09	.04	Francoeur ..	37600	.05	.05	.04	.04½
.07	.03	Friday	nil	...	B.03	....	.03
2.10	.06½	Frobisher ..	53790	.10½	.12	.10	.12
.10	.03	Fundy Bay .	nil	...	B.03	A.05	.03

G, H

.07½	.04½	Gaitwin	7700	.05½	.06	.05½	.06
23.00	17.50	Gaspe Cop. .	430	18.00	18.00	17.50	18.00
20.50	15.00	Geco *.50 ..	12928	19.75	20.50	19.75	19.87½
.21	.08	Genex†	1500	.11	.12½	.11	.12½
1.10	.50	Geo-Scient.†	500	.70	.67	.67	.67
.35	.15½	Giant Mas. .	31570	.28	.32	.26	.29
14.75	7.50	Giant Yk. *.30	29122	13.00	14.75	13.00	14.00
.37	.15	Glacier	3000	.19	.19	.18	.18
.08	.03½	Glen Ur.	3000	.04½	.04	.04	.04
.22½	.14½	Goldale	20500	.30	.20	.18½	.19½
.01	.00½	Gold Lake .	nil	...	B.00¼	A.01¼	.00¼
.70	.30	Gold. Age ..	8100	.45	.44	.41	.44
.40	.15	Goldfields ..	32000	.23	.24	.21	.23½
.30	.15	Goldray	10500	.19	.21	.19	.19½
6.75	5.75	Granby	100	5.75	6.35	6.35	6.35
.17½	.08½	Grandroy ..	2200	.11	.11	.10	.11
1.45	1.00	Granduc	14500	1.33	1.40	1.30	1.34
.13	.10	Grandview . Great Falls .	1400	.12½	.12	.10	.10
....	....		nil	...	B.01	....	.01
.09	.03	Gui-Por Ur..	8500	.04½	.04½	.03½	.04
.11	.03½	Gulch	14700	.06	.07	.05½	.07
.07½	.04	Gulf Lead ..	nil	...	B.04½	A.06	.04½
8.05	7.00	Gunnr M. 1.25	46097	7.60	8.05	7.40	7.75
.10	.04	Gwillim L. ..	13000	.05½	.08½	.05	.05½
.07	.02	Haitian	19500	.03	.03	†.01	.02½
2.50	1.30	Hallnor .12 .	nil	...	B1.90	A1.99	1.70
.18	.10	Hard Rock .	44800	.13	.16	.14	.14
.12	.04½	Harr Min. .	5000	.07	.08½	.06½	.08½
.21	.13	Hasaga	1500	.17	.21	.20	.21
.15	.05	H'd of Lakes	13050	.09	.09	.07	.07
.40	.23	Headway	6300	.27	.27	.25	.27
.04	.04	Heath	20500	.06	.07	.05	.07
2.06	1.31	High.-B. *.10	95862	1.90	2.06	1.85	2.04

		Hollinger					
29.87½	19.00	.24 + *.36 ..	7345	21.25	22.75	21.87½	22.50
3.25	2.31	Howey Cons.	2300	2.45	2.60	2.52	2.60
51.75	43.00	Hud. Bay 3.00	4607	46.75	47.00	46.25	46.25
.12	.06½	Hugh-Pam .	7000	.07½	.09½	.08	.09
.42	.24	Hydra Ex. .	9700	.36	.32	.30	.32

I, J, K, L

.50	.38	Inspiration .	4658	.36	.31	.30	.30
.30	.08	Int. Ceramic	2000	.12	.12	.10	.10
.13½	.03½	Int. Molybd'm	6200	.06½	.08½	.05	.05
		Int. Nickel					
60.50	46.75	*†††.15	34374	59.00	60.50	58.87½	60.25
1.75	.63	Irish Cop. ..	50880	.68	.80	.66	.75
5.20	1.45	Iron Bay ..	7920	2.30	2.45	2.15	2.35
.62	.30	Iso M.	31100	.46	.50	.45	.50
.67	.22	Jack Waite .	26000	.23	.25	.22	.25
1.40	.68	Jacobus	20100	.80	.85	.75	.85
.28	.11	Jaye	15500	.15	.15	.14	.15
.14	.06	Jellicoe	23200	.06½	.06½	.06	.06½
.16	.07½	Joburke	31200	.08½	.10	.09	.10
.39	.20	Joliet Que. .	45200	.31	.35	.29	.29
.17	.08	Jonsmith	7500	.09	.09½	.08½	.09
.43	.33½	R. J Jowsey	8054	.29½	.32	.29	.30
.09½	.03	Kenville	60000	.08½	.09	.07	.07½
22.62½	10.50	K.-Addis'n .80	33957	12.50	13.75	12.37½	13.00
3.80	1.55	Kilembe	800	2.35	2.25	2.25	2.25
.42	.17	Kirk. Min .	7151	.22	.25	.23	.25
.10½	.06	Kirk. Town.	5500	.09	.09½	.09	.09½
.06½	.03	Kontiki Ld..	3500	†.03	.03	.03	.03
.02	.00½	Koot. Base. .	nil	...	....	....	.00½
.43	.10	Kopan Dev.†	42000	.13	.15	.12½	.13
27.75	17.00	Labrador .25	5871	18.25	22.00	18.12½	20.87½
1.01	.35	L. Dufault .	25931	.42	.45	.40	.44
.13	.06	L. Lingman .	7500	.11½	.11½	.10	.10
.23	.10½	L. Osu	10500	.16	.19½	.15½	.18
5.00	3.30	L. Shore	2695	3.90	4.40	3.90	4.25
4.20	2.75	La Luz	2500	2.80	2.80	2.75	2.75
4.75	2.95	Lamaque .20 .	5370	3.75	4.15	3.85	3.95
1.00	.44	Langis Sil. ..	278350	.53	.60	.49	.60
1.40	.26	Latin Am. ..	59900	.47	.50	.44	.45
1.70	1.32	Leitch G. .06	50750	1.62	1.70	1.60	1.70
.09	.04	Lencourt	3600	.05	.05	.05	.05
.04	.02	Lexindin	7000	.02½	.03	.02½	.03
.06	.02	Lingside	2000	.03	.03	.03	.03
.58	.06	Lithium	31400	.44	.49	.43½	.44½
2.25	1.60	Little L-L ..	32550	2.05	2.20	2.00	2.13
.69	.19½	Lorado Ur. .	23530	.49½	.56	.49½	.55
.10	.01½	Do. warr. .	8375	.06	.06	.05½	.06
.09	.03½	Louvicourt ..	34200	.06	.08	.05½	.07
.19	.07	Lyndhurst ..	7500	.11	.10	.08½	.08½
.15	.06	Lynx Yk. ..	5500	.07½	.08	.07½	.07½

M

		Macassa					
3.25	2.40	.12 + *.03 ..	16700	2.99	3.25	2.90	3.10
.32	.15	MacDonald ..	13500	.26	.25	.22	.22
.08½	.03½	Macfie	4500	.04½	.04	.04	.04
1.35	1.00	Macleod	19308	1.12	1.22	1.15	1.20
		Madsen R.L.					
3.45	2.50	.10 + $.10 ..	42850	3.20	3.40	3.20	3.35
.13	.04½	Magnet†	44000	.06	.06	.05½	.05½
.03½	.01½	Majortrans .	7000	.02½	.02½	.02	.02
1.05	.71	Malartic	30350	.76	.92	.80	.85
.09	.03	Maneast Ur..	1000	.04	.03½	.03½	.03½
.99	.24½	Manitou-B. .	8100	.27	.32	.28	.28
.17	.07	Maralgo	5800	.10	.10	.10	.10
.14	.06	Marbor†	69300	.17½	.23	.15	.20
.13	.05	Marcon	170100	.09	.12½	.08	.10½
1.33	.56	Maritimes ..	28500	.75	.75	.66	.70
.47½	.30	Martin McN†	118900	.41	.43	.40	.40½
.32	.06	Massval	825	.10	.10	.10	.10
.10	.05	Matachewan.	10200	.06	.06½	.06	.06
6.70	4.05	Mattagami ..	1125	6.00	6.35	5.90	6.35
.13½	.05	Maybrun	8400	.08	.07	.06	.07
30.75	21.00	Mcintyre 1.00	9908	29.25	30.62½	28.75	30.00
.31	.15	McK. R.L.† ..	27100	.19	.22	.18	.19
.11	.04	McMarmac .	2820	.06	.05½	.05	.05
.48	.24	McWatters .	24500	.32	.33	.31	.32
.20	.15	Mentor Exp..	10100	.18	.18½	.17	.18
1.15	.44	Merrill Is. ..	32900	.46	.52	.46	.48
.13	.06	Meta Ur.	43300	.09	.10	.09	.10
.32	.15	Mid-Chib. .	3000	.20	.22	.20	.20
.85	.33	Midrim	8075	.43	.47	.44	.45
.17	.07	Midwest	6700	.09	.10	.08	.10
.07	.03	Mindamar ..	2000	.03½	.03½	.03½	.03½
12.62½	10.37½	Ming. Corp *.70	1155	11.87½	12.00	11.87½	12.00
.10	.03	Min. Ore	19500	.03½	.05	.04	.04
.12	.05	Mogador	nil	...	B.05	....	.05
1.12	.50	Molyb'nite .	100	.55	.52	.52	.52
1.00	.55	Moneta	10720	.65	.75	.68	.74
.26	.05	Monpre	nil	...	B.06	....	.07
.70	.50	Mt. Wt. Iron	8400	.54	.54	.50	.50
.59	.23	Multi-Min. .	37000	.34	.32	.27	.28
.96	.35	Murray M. ..	59550	.60	.64	.58	.62

N

.20½	.07	Nama Cr. ..	11600	.09	.10	.08½	.09
.10	.03	Nat. Ex.	20800	.05½	.05½	.04½	.05
.09	.03½	Nealon	12000	.04½	.04½	.04	.04
.15	.09	Nello Min. .	nil	...	B.09½	A.13	.09½
.09	.03½	N. Ainsworth	3000	.07	.07	.07	.07
.07½	.03½	N. Alger	2000	.04½	.04	.03½	.04
.40½	.24½	N. Athona ..	14500	.35½	.35½	.32½	.34
.19½	.05	N. Bidl'e	19500	.08	.08½	.07	.07
.43	.26	N. Calumet .	13200	.35	.35	.33	.35
.07	.03	N. Cronin ..	2000	.04	.03	.03	.03
.17	.08	N. Delhi	3000	.09	.11½	.09½	.11½
....	....	N. Far North	nil	...	....	....	.74
.19	.04	N. Formaque	13260	.05	.06	.04½	.06
.09	.03½	N. G'vieve .	14366	.04	.04½	.04	.04
.15	.02½	N. Hamil	2500	.02½	.02½	.02½	.02½
.19	.05	N. Har'na ..	158100	.07½	.14	.09	.11½
1.14	.38½	N. Hosco	55100	.55	.59	.50	.51
.15	.04	N. Imperial .	nil	...	B.06	A.08	.06
.14	.04½	N. Indian ..	100	.04½	.04	.04	†.04
.06	.03	N. Jack Lake	625	.03	.03	†.02	†.02
.09½	.04½	N. Jason	2600	.06½	.07	.07	.07
.14	.07	N. Kelore ..	10100	.08	.09½	.08	.09
.25	.10	Newlund	34600	.13	.14½	.13	.13½
.42	.18½	N. Man.	5000	.22	.20	.18½	.20
1.27	.26	N. M'l'que .	33600	.40	.41	.37	.39
.08	.03½	Newnorth ..	4000	.04½	.04½	.04	.04½
.12	.04½	N. Rouyn ..	2250	.05	.05½	.05½	.05½
.06	.02	N. Santiago .	9500	.02	.02½	.02½	.02½
.06	.03	N. Senator .	13000	.05	.05	.05	.05
.18½	.11½	N. Taku	700	.17	.17	.17	.17
.90	.09	N W. Amulet	276400	.15½	.20	.15	.19
.72	.26	Nickel M & S	34051	.60	.61	.54	.57
.75	.23	Nickel Rim .	2000	.37	.40	.37	.40
1.46	.71	Nipissing ..	12580	.77	.84	.75	.81
.07	.04	Nisto	10500	.05½	.05½	.05	.05
.09½	.04	Nocano	3500	.04½	.07	.07	.07
.20	.11	Nor Acme ..	6500	.15	.15	.15	.15
48.75	36.00	Noranda 2.00	13942	41.50	41.87½	40.50	41.75
1.17	.33	Norbeau	7840	.40	.46	.43	.45
.07	.03	Norgold	3000	.03½	.04½	.04	.04½
.25	.20	Norlartic† ..	14750	.21	.21½	.21	.21
3.70	2.50	Normetal *.27	5143	2.73	2.75	2.65	2.70
.13	.06	Norpax	60300	.11	.11	.09	.09½
.12	.04	Norsym'e ..	10000	.05	.06	.05	.06
.10	.03	N A Asb. ..	nil	...	B.05½	A.06	.04
.91	.23	N. Am. R.M. .	8250	.37	.40	.32	.32
1.30	.74	N. Coldstream	17125	.81	.90	.78	.87
.59	.26	Northgate† ..	22421

"THE YEAR OF THE pig"

To the Chinese, 1961 is the 'year of the pig' — to us we believe it is a SILVER pig.
The Silver supply-demand situation will intensify in 1961. The lag of Silver production behind demand during 1960 has been building up. A price raise for Silver seems inevitable as Free Stocks of the metal drastically diminish.
No longer merely an ornamental metal, Silver is a strategic commodity in Industry along with its monetary value.
Silver stocks should be an important part of an investment portfolio — write for details of two Silver mines with growth possibilities.

Brewis & White Limited,
145 Yonge Street,
Toronto 1, Ont. EMpire 4-7221

Brewis & White Limited,
145 Yonge Street,
Toronto 1, Ont.

Please forward information on Langis Silver & Cobalt Mining Company and United Cobalt Mines and all reports and surveys.

NAME .....
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We act as Principals for Langis Silver and United Cobalt—speculative securities.

Salt, Aluminum Tariff Cuts Fought in U.S.

From Our Own Correspondent

WASHINGTON — Protectionists are out to torpedo U. S. government readiness to offer concessions on Canadian aluminum and salt exports.

Canada stands to gain a lot from the U. S. at the GATT meeting if these two items stay on the new U. S. "offer list" of items on which Washington is willing to negotiate tariff cuts.

They were left off the original "offer list", but Washington second thoughts put them back on the bargaining table.

Canadian aluminum exports to the U. S. fell last year. In the 1956-57-58 period they hit around $100 million, but that high mark has not been neared in the last two years.

Canadian salt exports to the U. S. have been leaping ahead.

U. S. salt manufacturers, demanding that salt be taken off the GATT "offer list", have told the U. S. Tariff Commission that salt imports from Canada have increased by 2,360% in the past half-dozen years, from 2,475 tons in 1954 to 586,976 tons in 1959.

Because of this the domestic producers say, many American companies are being squeezed out of business.

They claim salt is vital to the national defence of the U. S. and the country should not become dependent on foreign salt.

The U. S. aluminum producers have trotted out their big guns to try to blast aluminum off the "offer list".

In a protest filed with the Tariff Commission they say the American companies and their workers are "suffering seriously" because their expanded capacity exceeds consumption already and any incentive to imports will make things much worse.

The U. S. firms say the U. S. balance of payments deficit will be worsened if Washington cuts aluminum tariffs, because it will mean more imports from Canada paid for in U. S. dollars.

FOAM FIRM SUBSIDIARY

Delany & Pettit Ltd.'s new subsidiary, **Delany & Pettit Industries Ltd.** (FP, Jan. 7), has taken over the manufacturing operations of the continuing parent firm, will expand operations to include various "other commercial products of modern chemistry".

U.S. Curb on Gold Like Outlawing Sin

By FRANK KAPLAN

Telling U. S. citizens that they can't hold gold outside their country is like trying to outlaw sin.

It may be an admirable statement of policy. But it can't be enforced without a lot of extra-tough rules.

That's the general viewpoint of bullion dealers and investment firms still puzzled by the sudden action of the departing Eisenhower administration.

The U. S. announcement that U. S. citizens and corporations will not be permitted to hold gold outside the country after June 1 came as a surprise. (They haven't been able to hold gold in the U. S. since the 1930s.)

No major U. S. statement on gold was expected until after the new President took over Jan. 20.

To enforce this ruling a strict system of foreign exchange regulations to limit the flow of U. S. dollars outside the country would be necessary, it is felt.

Certainly, so far as Canadian banks and brokers are concerned, anybody wanting to buy gold need only put up the necessary money. Canadian law permits anyone to hold gold.

Immediate effects of the U. S. ruling were confusing.

One sure thing — there isn't likely to be any active drumming up of orders from U. S. citizens.

Generally, banks here have taken the attitude that they will provide gold as a service to customers on request. They say they are not actively soliciting gold business from individuals.

A morning-after reaction confused the market for gold bars temporarily but prices tended to steady and trading smoothened out. There was no deluge of gold from U. S. sellers and, once the initial concern faded, European buying re-appeared.

In price, London gold dropped about 34c oz. from $35.77 (U. S.) in thin trade, quickly recovered to $35.52 and at mid-week seemed steady around $35.50, still at a premium.

Kilo bars on the Canadian market sold as low as $35.15 (Can.), were $35.25-$35.40. Official U. S. price is $35 oz.

On the stock market, gold shares tended higher initially, then lost part of their ground.

The initial rush into gold shares was considered a reaction along the lines of, "if you can't hold bars, get shares of companies which mine gold."

For the future, the key question — that will be answered only by time and more trading in gold — is how much gold will U. S. citizens sell?

Tied to this is the unknown factor of the quantity of gold held by U. S. citizens and corporations.

Most orders for gold purchased in Canada have come from U. S. sources. But dealers have no way of knowing whether these purchases were for the U. S. citizens or for other countries.

South Americans are known to have been heavy buyers in the past few months, especially since Cuban troubles.

Price Drops, Tariff Talk Jolt Lead, Zinc, Copper

By JOHN BLACK

Canadian base metal markets were jolted from two sides this week by domestic and foreign events.

• **Lead-zinc** got a double-barrelled blow.

Consolidated Mining & Smelting, source of about 75% of Canadian output, announced a 20% lead production cutback for 1961.

U. S. legislation looms again, under more favorable prospects of passing, that would double existing duties on imports of Canadian lead and zinc.

• **Copper** took another price cut, as Canadian producers follow 1c lb. decrease in the U. S.

News of the Cominco lead cutback in a U. S. metal trade paper was confirmed by a company officer at midweek.

The lead curtailment may have some effect on zinc production, but "we don't know how much," the Smelters spokesman said.

Smelters produced some 140,880 tons of Canada's 1959 lead output of 186,600 tons. In 1960, our total lead production dropped back to 168,000 tons.

Although Smelters officers decline to disclose 1960 production figures, based on an estimated 75% share of Canadian output, its 1961 output could be cut to around 100,000 tons.

Rounding out the one-two punch at lead and zinc is a Washington report that a tax bill blocked by House rules last fall, will be reintroduced in Congress this week.

The legislation would hike the tariff on imports, from ¾c to 1.4¾c lb. on lead concentrates, 1.6c to 2c on lead metal, 0.6c to 1.85c on zinc concentrates and from 7c to 1.5c on zinc metal.

For Canadian shippers (41% of our lead and 60% of our zinc goes to the U. S.) there is some consolation in that the bill would also remove the quota system in effect since 1958.

But with supply of the twin metals heavily overbalancing demand, shipments would still be check-reined in practice if not by direction.

And a final jab: President-elect Kennedy is known to favor passage of a lead-zinc subsidy bill for small U. S. producers. This would add to Canadian producers' competitive problems.

Battered copper markets around the world saw lumps raised at home this week.

International Nickel and the **Noranda Mines** copper group chopped domestic copper price down to 27½c lb. Price had held out at 28½c Canadian since it dropped there from 30c in October.

The Canadian action was in step with 1c lb. decrease by U. S. producers to 29c U. S.

The U. S. price of 30c, quoted since early October after a tumble from 33c, was put to rough tests in recent weeks.

London spot copper price had trailed down to 27c. Two factors that might have supported the price failed to materialize.

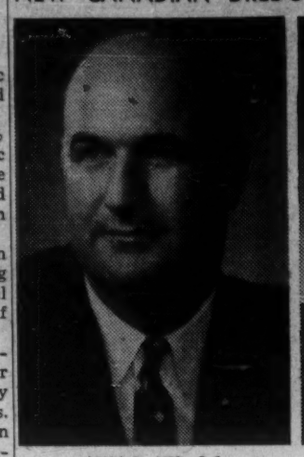
They were an expected strike at Kennecott's big El Teniente mine in Chile and interruption of Katanga copper supplies due to Belgium's troubles at home and in the Congo.

To round out base metals' current troubles, zinc prices were shaken when a major U. S. seller knocked off ½c on the U. S. price of 12c lb. last week.

Price recovered but is still shaky. Canadian price, at 12c lb., managed to stay on its feet.

ANNOUNCEMENT

NEW CANADIAN DREDGE & DOCK DIRECTORS



JOHN B. AIRD, Q.C.

WILLIAM P. WILDER

Canadian Dredge & Dock Co. Limited announces the appointments of John B. Aird, Q.C., and William P. Wilder to the Board of Directors.

Mr. Aird is a partner in the law firm of Edison, Aird & Berlis, a Vice-President and Director of the Algoma Central & Hudson Bay Railway Company, a director of Chartered Trust Company, Bralorne-Pioneer Mines Limited and other companies.

Mr. Wilder, who was also elected to the Executive Committee, is with Wood, Gundy & Company Limited and is a Director of Canadian Food Products Limited and Great Lakes Power Corporation Ltd.

Pipeline Revenue Boosts Pamoil Net

Pamoil Ltd. reports net income of $130,678 to six months ended Oct. 31/60. In comparable 1959 period a loss of $37,801 was reported.

President R. P. Brandenburg says increase was largely due to transportation revenue following purchase of **Edmonton Pipe Line** earlier in 1960.

Revenue from production increased about 10%, although earnings of company's U. S. subsidiary declined about 25%. Company's long term debt has been reduced to $962,500 at Oct. 31, compared to $1,167,500 at Apr. 30/60.

ALUMINUM IN CARS

Average 1961 North American type car contains 62.8 lb. of aluminum, reports **Aluminum Co. of America.** Up 15% from previous year, this is eighth consecutive year use of aluminum in automobiles has set an all-time high. Cars with aluminum engines use as much as an average 159 lb. of the metal. **Chrysler Corp.** leads with average of 76 lb. per car; **General Motors** autos average 67 lb. each, **Ford Motor Co.** 53 lb.

Watch for Big Drive to Push Stainless Steel in Industry

There's a big drive coming to push stainless steel in new industrial applications.

In its third annual sales promotion campaign, starting next month, **International Nickel Co. of Canada** will make industry a hot target. Production of stainless steel (8% nickel) gives Inco its largest market.

With another 75 million lb. of nickel a year soon flowing from Inco's Thompson, Man., refinery, the company is spending big promotion money in Canada and abroad to expand markets.

It's making plans to tackle the Canadian pulp and paper industry to open up a tremendous new field.

And it's working hard to get greater use of stainless steel in the whole field of transportation, construction and heavy industry.

Thus its latest, strongest promotional campaign is intended to serve two purposes — expanding industrial as well as consumer markets for stainless steel products — company officials say.

T. Eaton Co. stores and order offices across Canada again are setting up stainless steel centres. They will display a full range of consumer products using stainless steel.

Atlas Steels Ltd., Welland, Ont., largest Canadian producer of stainless steel, and Canada's major manufacturers of stainless steel products are backing the promotion.

They will help to focus attention on the new design and fabrication possibilities for stainless steel and greater understanding of the properties and applications of nickel stainless steel.

Sheep Creek Revenue Up

Greater output, and higher per-ton return on lead and zinc sales, lifted production revenue 17% for **Sheep Creek Mines** in six months to Nov. 30/60.

With non-production income also higher, company boosted operating profits (before taxes and depreciation) by 26%, to $278,206 in reporting period.

Operating costs were higher, at $5.79 per ton ($5.28 June-Nov./59).

Reserves remain at about 415,834 tons as new ore discovered keeps pace with extraction.

Diamond drilling is under way from the mine's seventh level.

Managing director H. E. Doelle says two prospects were optioned but later dropped when diamond drilling returned negative results.

Six Mos. to Nov. 30:	1960	1959
Tons milled	101,327	96,602
Lead output	$423,288	$407,271
Zinc output	387,335	263,290
Barite output	24,666	44,393
Other income	29,759	15,845
Operating costs	586,842	509,928
Operating profit*	278,206	220,871

*Before depreciation.

OIL FINANCING

Connection wanted by Calgary based independent to grow through mergers and with large overriding royalties and carried interests. Plan is to acquire additional proven and producing assets to maintain well balanced portfolio. Applicant could be a broker or other person with good financing connections. Attractive finder's fees in financing and arranging incoming mergers, etc.

BOX 665, THE FINANCIAL POST, TORONTO

ANNOUNCEMENT

APPOINTMENT ANNOUNCED

JACK RABINOVITCH

JOHN W. ROBINSON

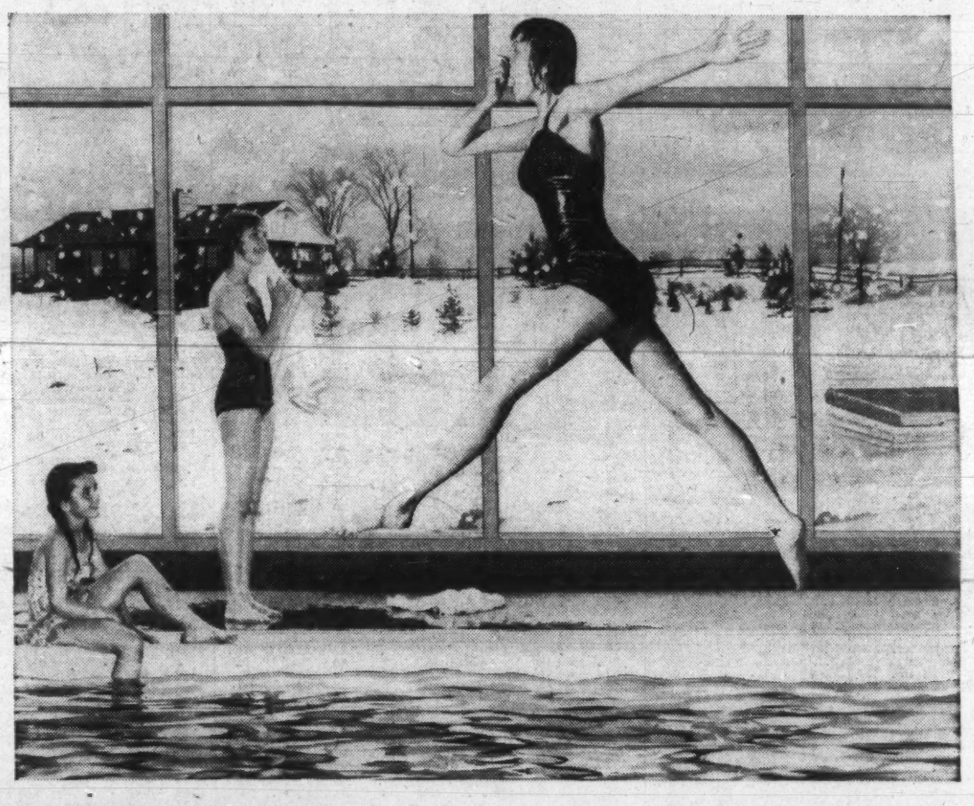
Mr. Bertram Loeb, President of M. Loeb Limited, announces the appointment of Jack Rabinovitch as Vice-President in charge of Retail Operations, and Mr. John W. Robinson as Director of Meat Operations for IGA Supermarkets in the Ottawa area. Mr. Ravinovitch is a "cum laude" graduate of McGill University in economics and was previously Director of Store Operations for Steinberg's Limited, Ontario Division. Mr. Robinson was Director of Meat Operations for many years with the A&P Tea Company, National Tea and Big Bear Markets of Detroit. During World War II, he was in charge of meat procurement for all armed services both at home and overseas. Both appointments are effective immediately.

ANNOUNCEMENT

L. BUELL MANNING

Mr. W. T. Muirhead, President of A. C. Wickman Limited, is pleased to announce the appointment, effective January 1st, 1961, of Mr. L. Buell Manning as Vice-President and General Manager of the Company.

Mr. Manning, who was formerly with the Carboloy Division of Canadian General Electric Company, joined A. C. Wickman Limited in 1943. He became Sales Manager in 1944 and was appointed Vice-President in Charge of Sales in 1954, a post which he held until his recent appointment as General Manager.



TWINDOW

keeps the weather outside...where it belongs!

These youngsters are having a whale of a time almost right out of doors. Nothing separates them from winter snows but Twindow*. Twindow keeps cold outside—even on the coldest days of winter—and you enjoy a comfortable, even temperature with no draughts. Twindow keeps out summer heat, too. This is because Twindow is made of two pieces of glass separated by an imprisoned layer of dry, non-circulating air which makes it an excellent insulating window.

Smaller heating and air conditioning equipment is necessary, and because there are no draughts floor areas are usable right up to the windows. Clear, undistorted visibility is provided both winter and summer. Twindow is the ideal glazing for all types of buildings.

Twindow is economical to install too. For complete details, contact your local Canadian Pittsburgh branch.

*Registered Trademark

Modern miracles in glass made by

* DUPLATE

DUPLATE CANADA LIMITED

*T. M. REG'D

for brighter safer living!

Twindow is sold exclusively in Canada by

CANADIAN CPI PITTSBURGH INDUSTRIES LIMITED

50 branches coast to coast

Position of Chartered Banks of Canada as at November 30, 1960 Shown by Monthly Returns to Minister of Finance

(Amounts in thousands of dollars)

ASSETS

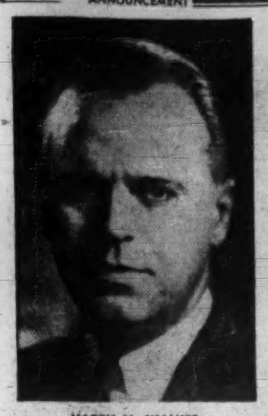
NAME OF BANK	Gold & coin in Canada	Gold & coin outside Canada	Notes & deposits with Bk. of Can.	Gov. and bk. notes other than Cdn.	Dep. with oth. banks in Cdn. currency	Deposits with oth. bks. in currencies oth. than Cdn.	Cheques and oth. items in transit, net	Gov. of Can. treasury bills	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Sec.	Municipal Sec.	Other Cdn. Sec.	Securities oth. than Cdn.	Mtges.	Call and short loans in Can.	Call and short loans outside Can.	Loans to Cdn. Prov. Gov.	Loans to municipalities	Other current loans in Can.	Other current loans outside Can.	Noncurrent loans	Bank premises	Shares and loans to corporations	Letters of credit	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	5,883	39	170,424	4,502	621	133,503	185,730	226,999	154,472	321,942	58,083	40,755	83,126	98,690	237,090	29,972	114,671	29,493	41,910	1,264,981	76,281	485	56,853	7,605	57,521	2,470	3,404,110
Nova Scotia	15,446	426	102,227	8,813	24	61,954	100,019	78,908	77,190	132,980	19,190	17,334	43,204	130,188	64,639	23,338	138,032	2,366	14,042	716,896	265,185	1	27,633	9,980	54,672	2,134	2,106,321
Toronto-Dominion	3,072	2	105,211	3,410	222	39,544	80,659	99,855	38,372	130,615	46,579	28,354	45,238	41,969	108,517	16,137	174,431	10,874	16,470	738,474	44,991	126	31,519	1,947	16,844	386	1,823,618
Provinciale	1,038	.....	28,168	679	.....	2,125	10,854	32,725	11,629	41,053	19,039	14,757	8,655	.....	4,347	15,512	.....	3,133	16,257	150,057	.....	1	3,357	4,010	950	246	368,590
Commerce	5,785	100	186,063	3,875	1,135	56,712	114,786	164,187	109,842	317,972	43,617	41,523	89,056	219,787	186,752	33,769	127,957	16,027	29,589	1,125,638	127,886	421	41,941	19,371	29,695	1,193	3,094,652
Royal	5,016	858	225,172	28,385	811	216,327	104,564	208,374	146,183	390,544	91,741	44,749	189,495	289,806	288,810	94,623	222,195	26,767	41,194	1,284,869	244,377	289	51,134	5,060	92,633	846	4,296,822
Nationale	1,679	.....	65,363	947	18	5,333	44,867	73,725	62,545	81,757	24,433	15,081	6,824	1,740	25,647	7,463	.....	7,254	32,540	306,093	352	44	10,004	.....	1,781	92	775,742
Imperial	1,890	.....	73,695	1,167	509	11,665	50,893	70,659	46,548	69,909	17,864	9,573	14,096	.....	56,611	24,761	37,368	46	13,462	451,281	29,673	49	10,951	2,750	22,187	86	1,016,713
Mercantile	10	.....	1,039	32	57	13,031	1,132	1,147	3,746	2,898	193	32	.....	.....	.....	660	5,088	.....	.....	16,475	34,122	24	266	.....	2,192	73	82,217
Total	39,819	1,425	956,380	51,810	3,397	542,194	693,504	956,579	650,527	1,489,670	320,739	212,158	479,894	782,150	972,413	248,255	819,742	96,100	205,464	6,054,764	822,870	1,440	233,458	50,723	278,475	7,526	16,969,276

(Amounts in thousands of dollars)

LIABILITIES

NAME OF BANK	Deposits by Govt. of Canada in Cdn. currency	Deposits by Canadian prov. govt. in Cdn. currency	Deposits by oth. banks in Cdn. currency	Deposits by other banks in curr. oth. than Cdn.	Personal savings dep. in Cdn.	Notice deposits in Cdn. Curr.	Demand deposits in Cdn. currency	Other deposits in currencies oth. than Cdn.	Adv. from Bk. of Can. secured	Acceptances, guarantees and letters of credit	Other liabilities	Capital paid up	Rest account	Undivided profits at latest fiscal year end	Total liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	151,347	20,593	32,328	42,117	1,599,749	90,504	849,783	342,102	.....	57,321	14,306	60,750	141,350	1,151	3,404,101
Nova Scotia	54,960	7,156	6,203	244,482	745,538	71,535	420,228	378,206	.....	54,672	8,260	26,888	67,641	1,026	2,106,821
Toronto-Dominion	66,136	8,618	13,779	110,863	835,637	50,499	434,237	193,809	.....	16,844	8,745	24,000	60,000	1,053	1,823,618
Provinciale	13,975	2,052	690	139	183,242	46,622	100,481	640	.....	950	1,661	7,000	11,000	138	368,590
Commerce	116,330	25,632	17,913	146,591	1,356,666	82,460	777,752	336,200	.....	29,695	18,422	54,000	130,000	991	3,094,652
Royal	155,790	18,723	68,063	175,124	1,555,974	114,710	1,007,384	787,364	.....	93,633	28,192	66,434	223,774	1,658	4,296,822
Nationale	27,448	2,669	2,778	427	422,877	69,794	195,823	5,491	.....	1,781	2,771	10,000	33,000	853	775,742
Imperial	38,979	24,340	10,991	29,157	471,731	40,447	270,850	46,115	.....	22,187	5,134	13,440	42,320	1,020	1,016,713
Mercantile	603	88	1,756	32,018	1,596	7,871	4,536	28,030	.....	2,192	123	3,000	400	2	82,217
Total	626,570	109,263	154,503	780,918	7,173,010	571,137	4,064,409	2,119,959	.....	276,478	87,616	365,512	729,965	7,919	16,969,276

ANNOUNCEMENT



HARRY N. WALKER

Harry N. Walker has been appointed Vice-President and General Manager of McCulloch of Canada Ltd., G. Eichelsbach, Executive Vice-President, McCulloch Corporation, Los Angeles, Calif., announces. Born in Winnipeg and educated in Montreal, Mr. Walker, for many years, has served in sales management and executive purchasing capacities, major Canadian and United States companies in the building materials, paints and chemical industries. He will make his headquarters at McCulloch of Canada's Head Office, Toronto.

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ANNOUNCEMENT

COMMERCIAL CREDIT ENTERS LEASING FIELD

J. F. O'DONNELL

Mr. J. E. Tuthill, President, Commercial Credit Corporation Limited, announces the appointment of Mr. J. F. O'Donnell as Manager of the company's Industrial Finance and Leasing Department.

Mr. Tuthill said, "There has been a tremendous increase in interest by Canadian Businessmen in studying the advantages of leasing equipment. They recognize that equipment produces profit because it is used, not because it is owned. The new department will lease and finance all types of capital equipment from a refrigerator display case to a complete supermarket installation, from cranes to conveyor systems, from presses to compressors, from packaging machinery to the heaviest production machinery. Mr. O'Donnell is eminently qualified for his new assignment because of his wide experience in the fields of consumer credit and equipment financing."

Mr. O'Donnell was born and educated in Toronto and joined Commercial Credit Corporation in January, 1950. He will have his headquarters at the Company's Head Office, 244 Eglinton Avenue East, Toronto, Ontario.

FP reports on MINES & OILS ACTION

By FRANK KAPLAN

GOLD STOCKS hold the trading spotlight with U. S. interest continuing to increase as U. S. authorities clamp down on buying of gold bullion by Americans.

As in the past, the U. S. interest shows up best in the handful of Canadian gold shares listed on Wall St.

The last-ditch move by the outgoing Eisenhower administration in the U. S. prohibiting Americans from holding gold bullion is expected to add to interest in stocks of gold producers.

This reverse-twist is illustrated by a trend toward higher gold stock prices at the same time as the price of bullion drops sharply from around $35.70 (U. S.) oz., to as low as $35.40.

	Latest Price	End 1960	End Oct.	1960-61 High	1960-61 Low
	$	$	$	$	$
Aunor	3.10	2.85	3.00	3.25	2.21
Bralorne	7.60	6.70	6.40	7.60	4.55
Campbell	17⅞	16	16¼	18¼	9¼
Cons. Discovery	3.95	3.70	3.75	4.05	2.95
Dome	26½	23½	24¾	27⅞	16¾
Giant Yellowknife	13½	12⅛	12¾	14¾	7½
Kerr-Addison	13	12	13⅜	22⅝	10½

* * *

A spurt of U. S. buying pushes **Ventures** to $36⅛ from a recent $30 level. The sudden run encounters some profit-taking and the price slips back to $35. Interest in Ventures stems from the major reorganization that has been under way and seems to be nearing completion.

Supposedly emanating from Wall St. are guesses of a break-up value of $50 to $60 a share behind Ventures. Another talked about factor behind U. S. interest in Ventures is what is supposed to be a major interest being taken in the company by the international banking organization of Lazard Bros.

At the other end of the price scale of listed Canadian mining stocks is penny trader **Ansil** which plummets suddenly to 15c after climbing from 10c to 33c in about a month.

* * *

Some strength crops up in the major uraniums. **Rio Algom** climbs to $8.60 from recent $7.40, largely on U. S. buying. Interest stems from the expectations of dividends and hopes that the company will generate $15 cash per share from its uranium contracts.

Denison Mines adds $1 at $10½ with the company getting into its first major outside venture—a controlling interest of 30% in a cement company—Lake Ontario Portland Cement. **Gunnar** firms to $7.90 from a recent $7.05.

Not letting **Kopan Developments** (12c and quiet) get away with a trick by putting alpinists on the hunt for copper in B. C. mountains, **Consolidated Golden Arrow** (35c) puts a skin diver to search for signs of gold trenching under the ice of Ontario's Dogpaw Lake. Consulting engineers Holbrook and Harper are looking for evidence of high-grade gold reported found 50 years ago before the lake level was raised.

* * *

ON THE OIL AND GAS FRONT—some profit-taking cuts into recent advances with activity subsiding on declining tendencies. A few bright spots among usually quiet issues. **Ranger** perks ahead to $1.03 from recent 80c level with an interim report revealing a new contract for gas sales.

Pamoil gets into the black with a profit reported for its first half-year, compared with a loss in the same period last year. The shares firm to 38c from 31c.

Triad Oil continues firming, rises to $2.34 from a recent flip which started at about $1.90. **Canadian Devonian,** another recent feature, firms to $4.85 then settles back to $4.65, ahead about 25c from the beginning of the year.

Irish Copper, European Firm Study Acid Plant

Ireland's Canadian-controlled **Irish Copper Mines** has joined with Irish and Belgian interests to plan an $11 million sulphuric acid plant close to the 4,000-ton Avoca area mine and mill.

H. W. Knight, Jr., Toronto financier whose **Consolidated Mogul Mines** backed the financing of Irish Copper, says production and marketing studies are under way for the new company — **Shamrock-Avoca Ltd.** — formed to operate the proposed plant.

Taking part in the venture is **Shamrock Superphosphates,** an Irish-Belgian fertilizer company.

Pyrites would be supplied the plant by **St. Patrick's Copper Mines,** operating subsidiary of Irish Copper.

DOMINION TAR

Dominion Tar & Chemical Co. will be exclusive sales agents for pentachlorophenol manufactured by Naugatuck Chemicals, division of **Dominion Rubber Co.** Naugatuck's new plant outside Edmonton will be on stream with first domestic production in late April. Pentachlorophenol is a preservative used to treat wood for railway ties, post and beam structures, fences, telephone and telegraph poles.

Company Reports

DENISON MINES' net profit in 1960 was $10,473,685 ($2.34), based on the amalgamated operations of **Consolidated Denison Mines** and **Can-Met Explorations Ltd.** from March 24/60 to Dec. 31/60.

However, President S. B. Roman says net profit for the Denison property in full year was $14.5 million ($3.24), compared with $17.9 million ($4.02) in previous year.

Write-offs were $16 million ($9.2 million). Profits before write-offs are thus an increase of 12.6% for 12 months over 1959.

Value of uranium production in full year was $51.2 million, up from $49.5 million, President Roman notes.

Company's exploration activities included: diamond drilling of a gold prospect in Malartic, Que., area; location of base metal mineralization in Mattagami, Que., area to be diamond drilled; continuation of lab tests on a nepheline syenite deposit; examination of a molybdenum property in Quebec.

INCOME ACCOUNT

	Mar. 24 1960 to Dec. 31 †1960	Year ended Dec. 31 ‡1959
	$	$
Operating revenue	41,505,174	49,494,592
Less: Oper. exps.	15,133,812	20,696,887
Gen. exps.	996,157	799,676
Operating profit	25,375,205	27,998,029
Add: Other income	215,944	176,948
Net earnings	25,591,149	28,174,977
Less: Deprec.	11,983,000	8,224,393
Interest	905,034	1,058,284
Def. dev. & preprod. exps.	2,048,000	995,000
Outside expl.	181,430	.....
Net profit	10,473,685	17,897,300
Less: Dividends	4,474,703	4,451,265
Surplus for period	5,998,982	13,446,035

†Denison Mines. ‡Cons. Denison.

Note—Net profit from Denison property was $14.5 million for year ended Dec. 31, 1960.

Earnings per Share	$2.34	$4.02
Paid	1.00	1.00
Shares o/s at Dec. 31:		
Common, $1 par	4,474,703	4,451,265

BALANCE SHEET—MAIN ITEMS

As at Dec. 31:	‡1960	•1959
Cash, notes, etc.	$8,286,780	$5,804,393
Conc., settlements	21,908,260	5,609,989
Supplies	2,757,409	2,166,312
Total curr. assets	33,541,100	16,914,446
Invest. & advs.	1,838,293	782,600
Mining cls. & prop.	1,160,433	269,309
Bldgs., plant, etc.†	38,929,520	26,495,055
Def. dev. & preprod. chgs	4,928,965	3,229,360
Total assets	71,623,607	48,451,104
Total curr. liab.	6,133,095	5,053,716
Advances	1,500,000	.....
Long-term debt	22,548,000	71,639,000
Capital stock	4,474,703	2,901,902
Earned surplus	33,377,676	22,315,241
Contrib. surplus	3,590,133	341,245
†After deprec. of	38,443,005	15,920,655

‡Denison Mines. •Cons. Denison.

Working capital 27,408,005 11,860,730

Mt. Wright Seeks Buyers for Iron

Mount Wright Iron Mines, which has applied for a Quebec mining concession on its iron ore deposits, reports it is negotiating for a long-term sale contract to support financing arrangements.

Company also reports metallurgical tests show it will be possible to produce a dry concentrate averaging 68.86% iron with a recovery of 92.7%.

Plan Stake In Cement For Denison

Uranium giant **Denison Mines** is turning $1,687,500 of the money it is generating from its mine at Elliot Lake, Ont., into an interest in a cement business.

Shareholders of **Lake Ontario Portland Cement Co.** still have to approve the agreement reached this week between the cement firm and Denison, are expected to meet in the second week in February. A capital increase will be necessary.

Here are the details.

- Denison will buy 750,000 shares of Lake Ontario Portland Cement at $2.25 a share. Of these shares, 440,000 will come from the cement company's treasury, giving the company an injection of $990,000 of new money.

The remaining 310,000 shares are coming from Lake Ontario shareholders, indicated to be U. S. interests.

- Lake Ontario is to grant Denison an option on an additional 350,000 shares at $3.

Initially, Denison's interest will be about 20% in the cement firm and the uranium company will be the largest single shareholder. Lake Ontario Portland Cement has 2,068,690 common shares outstanding of four million authorized. An additional 1.3 million shares are set aside for warrants, conversion of preferred and employees' stock option plan.

Shares recently traded at around $3 over-the-counter, compared with $2.50 three months ago, about $1.50 in August/60.

Lake Ontario Portland started production in April/58, is operating its Picton Ont., plant at capacity of two million barrels annually. The company has a U. S. subsidiary, **Rochester Portland Cement Corp.,** at Rochester, N.Y.

The cement and aggregate operation is built on the company's raw material source, a 550-acre limestone deposit.

"Our expansion program will be greatly expedited with the additional capital available," George H. Elliot, Lake Ontario president, says.

"This will apply to the planned expansion of our facilities in both Canada and the U. S."

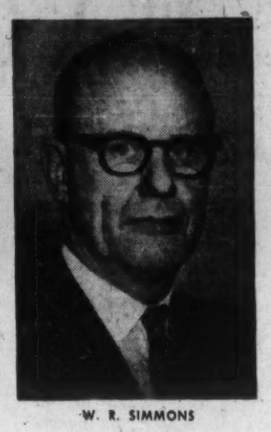
ANNOUNCEMENT

MONTREAL TRANSPORTATION COMMISSION APPOINTMENTS

RICHARD MINEAU

J. W. LAGACÉ

JEAN H. RICHER



W. R. SIMMONS

Brigadier J. Guy Gauvreau, President of the Montreal Transportation Commission, announces the following appointments:

Mr. Richard Mineau, B.Comm., LL.L., Assistant to the General Manager, is appointed Assistant General Manager.

Mr. J. W. Lagacé, formerly Director of Transportation Services, is appointed Director of Administrative Services.

Mr. Jean H. Richer, B.A., P.Eng., Superintendent of Transportation, is appointed Director of the Transportation Department.

Mr. W. R. Simmons, P.Eng., Superintendent of the Power Department, is appointed Director of Plant and Engineering Department.

Ranger Oil Output Rise Lifts Income

Production income for **Ranger Oil (Canada)** was lifted 2% to $233,049 in nine months to Sept. 30/60, despite higher lease costs and lower oil prices.

Ranger's share of oil output at 112,514 bbl. is up 10%, while gas share output at 568.6 million cu. ft. is 16% higher than comparable 1959 period.

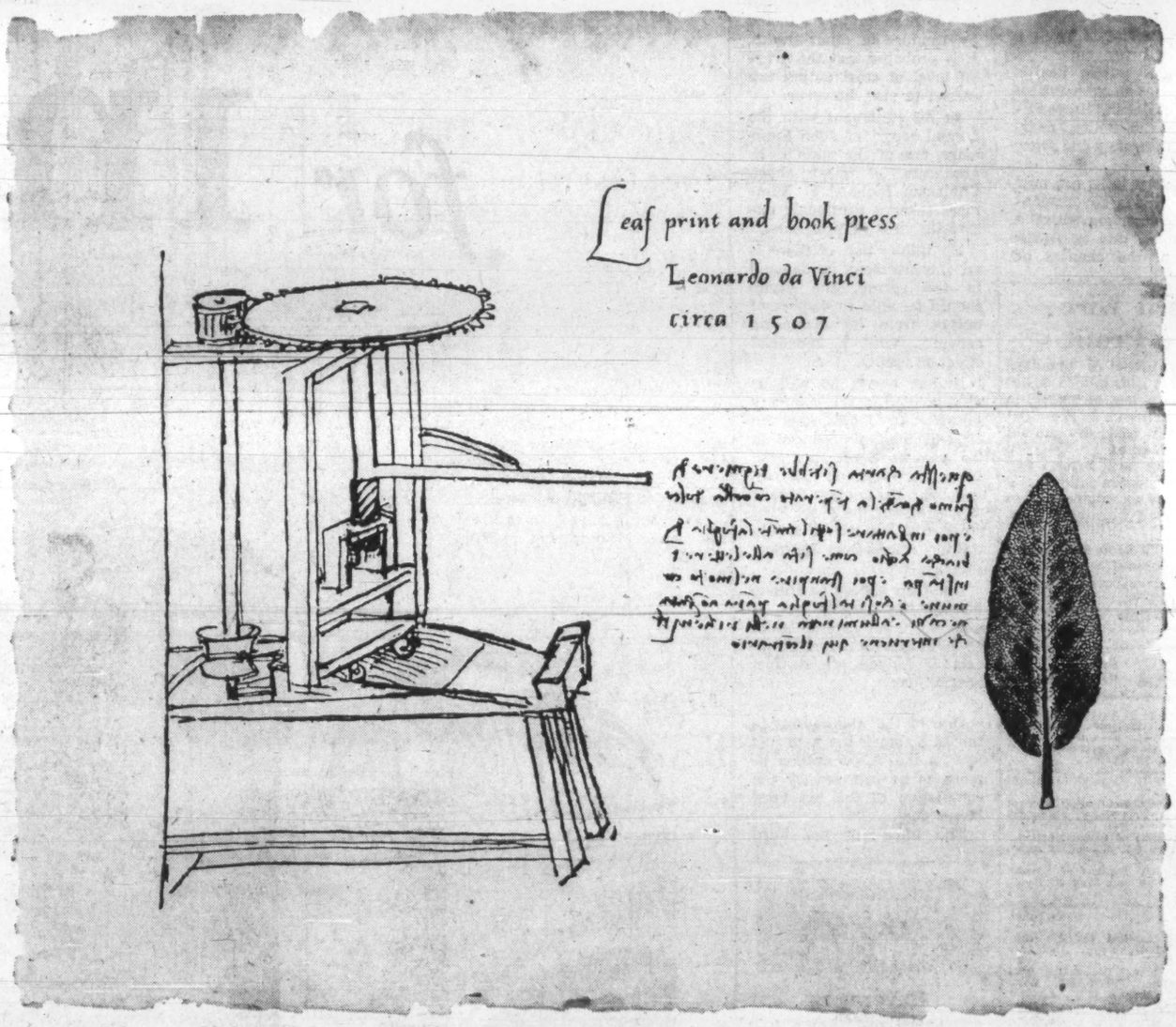
With **Canadian Export Gas,** company has agreed to a new contract with **Trans-Canada Pipe Lines** for sale of additional gas reserves from Steveville, Alta., field.

New wells completed in the reporting period include: 1,100 ft. gas discovery in Cold Lake, Alta., field with estimated flow potential of 20 million cu. ft. daily; a 63 bbl./day oil well in Midale, Sask., field.

President Pierce notes brisk business is being done by **Alberta Skilift Ltd.** which operates a two-mile sedan lift at a Lake Louise ski resort. Ranger owns about half the equity in this company (**FP,** Dec. 24).

WILLIS ACCOUNT

Willis Advertising Ltd. will handle Canadian advertising for hair preparation product of **John H. Breck Inc.**



LEONARDO DA VINCI, *artist, engineer, inventor, was one of the truly creative men of all time. Reproduced here are original sketches of a leaf, printed by a process of his own, and a press used in this printing operation.*

CREATIVITY

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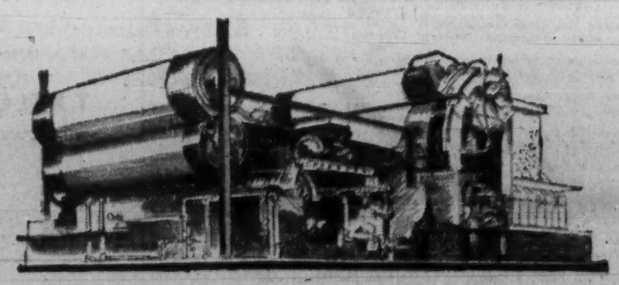


HOW ABOUT GAINS IN YOUR PORTFOLIO?

Forecaster readers who had accumulated **Geco** at recommended buy levels near $16 were advised last week in our weekly bulletin that this dividend payer was trading above $20. At the same time, readers who purchased **Agnico** only two months ago near recommended 50c were advised that this dividend-paying penny situation was on the upside by a good 40%, while readers who had purchased **Sherrit Gordon** in recommended $2.50-60 range were reminded that these shares had become 50% heavier at $3.90.

AND IN THE SAME BULLETIN, Forecaster readers were advised that besides providing a 9% yield from dividends on their investment, **Highland Bell** was also rewarding them with paper profits close to 25% above their averaged purchase prices; that **Ventures** — with a total of 35c per share in dividends coming their way within three weeks — was providing paper profits of $6 to $8 per share; that **Siscoe Mines** was 40% above their original purchase prices; **Bethlehem Copper, Consolidated Discovery, Leitch, Barnat, Yellowknife Bear, Bailey Selburn, Royallite, Security Pete, Teck-Hughes, Barnat, East Malartic, Kerr-Addison, Chimo Gold** and **Willroy** were moving in strength and should be watched closely by readers holding at significantly lower prices; that **Prairie Oil** was heavier by 30%-65%, **Devon Palmer** by 45%-85%, **Acadia Atlantic** by 65%, **Steico** by $10 per share; that **McIntyre Porcupine,** in which they now hold free stock, was trading near 1960-61 highs; and that **Bralorne** was 30%-40% above recommended buy levels. From the standpoint of current paper profits, we also discussed **Cochenour Willans, Lake Shore, Dickenson Mines, Lamaque, Aunor** and **Little Long Lac.**

OR TO PUT IT ANOTHER WAY, investors and traders who responded to previous Forecaster advertisements in this space are obviously being well rewarded now. If you failed to act last year, why not plan to secure your share of capital gains by correcting the oversight today. Remember, the several above profit discussions occurred within only a single issue of our weekly bulletin on Canadian stocks and the market — by no means represent a total list of the winners we've come up with so far this month. Whether we advised buying more at currently higher prices, selling partially, selling completely or holding fully intact for even steeper gains also makes interesting reading. **Cordially invite you again, therefore, to write: THE CANADIAN FORECASTER, 228 Adelaide Street West, Toronto. 60-day trial—$5 ($5.50 airmail); annual subscription—$45; All readers entitled to personal attention without additional charge at any time, and our telephone number is EMpire 4-5421.**

FP reports on U.K. BUSINESS

Cutback in Auto Industry Dampens U.K. Stock Market

LONDON — After starting the New Year in confident style, stock markets have relapsed into uncertainty. Investors are again asking themselves "where do we go from here?"

From its 1960 low point of 293.4 Dec. 9, the Financial Times equity index had recovered to 311.9 Jan. 10, but then turned lower as investment demand slackened.

Sentiment has been affected by further cutbacks in the motor industry and by a warning on inflation given by Chancellor Selwyn Lloyd in a speech to Liverpool Chamber of Commerce.

Mr. Lloyd said he hoped for restraint over wages, prices and profits. He said there were causes for anxiety in the economic field both overseas and domestically, and pointed out that no one in the world owed Britain a living.

The Chancellor is facing a massive bill for education, defence and public health, and increases in government spending following wage advances to the police, engineers civil servants and other workers.

Preparatory talks are now being held in government circles in connection with the U.K. budget, due in April. At present, the chances of any worthwhile tax concessions seem remote.

The over-all level of industrial output and employment remains high, but the recession in the motor industry shows no sign of lifting. **British Motor Corp.** is reducing the working week for some of its employees to 2½ days.

* * *

So far there has been no clear statement that the motor manufacturers are cutting down on their expansion plans, but a certain amount of re-phasing seems more than probable.

Even **Jaguar,** the only U.K. motor firm not to be hit by the credit squeeze, is having to struggle hard to maintain full-scale production. Sir William Lyons, the Jaguar chief, has called on his workers for an all-out bid for quality.

The building, machine tool and heavy truck industries are still expanding their output. Makers of television sets and other durable consumer goods have been hard hit and there has been a shrinking of order books in shipbuilding.

The steel mills have not so far been greatly affected by troubles in other trades. It is probable that the overall level of steel output has ceased to rise, however.

In his statement with the annual report of **John Summers,** one of the main U.K. producers of steel sheet, Chairman Richard F. Summers takes a cautiously optimistic view of prospects.

He thinks that if there is an improvement in demand in the spring, the group should be able to dispose of output from its increasing capacity, with a beneficial effect on profits.

In any event, he will be disappointed if the company cannot sell more steel in 1960-61 than it produced in the year to September last. Like **Stewarts & Lloyds,** Summers has another expansion program lined up. First stage will cost about £18½ million (more than $50 million).

Company should be able to finance this largely out of cash flow, but capital issues by both Summers and Stewarts & Lloyds are distinct possibilities.

* * *

One of the main props to the U.K. stock markets just now is the £100 million or more to be released by the completion of the big **Ford Motor** deal.

The offer by the Ford parent company for the outside shareholdings in **Ford Motor of England,** was declared unconditional on Jan. 11 and payments will start Jan. 24.

The bid, of 145s 6d a share, has been accepted by holders of more than 90% of the stock for which the offer has been made. Under U.K. company law, the bidders will be able to acquire compulsorily the holdings of any shareholders who decided to stand out.

Although there was some opposition to the terms, among private investors in the U.K., large holders such as the insurance companies, did not feel inclined to resist actively.

The U.S. Ford company is taking over full ownership of the U.K. offshoot when trade is slack and the outlook uncertain.

It may be two or three years, therefore, before anyone will be able to say for certain whether the offer was in fact a true reflection of the company's potentialities.

It is to be hoped that the financial results and an annual report of Ford (U.K.) will be released each year. There is a precedent here in **Vauxhall,** whose stock is 100% owned by **General Motors.**

* * *

The uncertainties surrounding the U.K. economy and the stock market outlook have prompted some investors to look toward Canada.

There has been some nibbling at oil and pipeline shares as well as old favorites such as **Canadian Pacific Railway.**

Interest has also spread to the option market. Three-months' "call" options have been taken out in **Westcoast Transmission.**

Buying has tended to favor stocks such as **Triad** and **Hudson's Bay Oil & Gas,** in which there is already a large U.K. interest.

It is too early to say whether British investors are ready to switch into Canadian common stocks in a big way, but if North American business shows signs of picking up 1961 may well show a moderate revival of interest.

Some people in this country burned their fingers on Canadian stocks in 1957-58, however, and they will be anxious not to have the experience repeated.

News and views on the British securities markets, specially written for FP by one of London's distinguished financial writers.

ANNOUNCEMENT

Crown Life Insurance Company Appointments

J. M. BREEN | E. W. SHARP | W. P. HOBBS, Assoc. C.L.U. | A. V. FAULKNER | D. R. JOHNSTON, F.S.A.

A. F. Williams, Vice-President and Managing Director of the Crown Life Insurance Company recently announced the appointments of J. M. Breen as Superintendent of Agencies, E. W. Sharp as Superintendent of Training, W. P. Hobbs, Assoc. C.L.U., and A. V. Faulkner as Assistant Superintendents of Agencies. D. R. Johnston, F.S.A., has been appointed an Assistant Actuary.

Standard Wire Earns a Profit

Operating profit of **Standard Wire & Cable Ltd.** totaled $4,300 in Nov. /60 vs. loss of $24,842 in Nov. /59, Chairman & President Milton Unger told the annual meeting in Toronto.

Both figures are before any allowance for depreciation.

Negotiations are under way to obtain increased working capital, Unger said.

George D. Pattison and Robert D. Bell of Toronto were elected to the board, succeeding H. W. Knight, Jr., of Toronto and Gerson Lublin of New York.

Coming Events

American College of Surgeons meeting, April 6-8, Fort Garry Hotel, Winnipeg.
American Institute of Industrial Engineers, second annual conference, April 26, Royal York Hotel, Toronto.
American Management Association meetings, Feb. 13-17, Sheraton Mt. Royal Hotel, Montreal.
American Society for Quality Control forum, March 11, Hart House, University of Toronto.
Appraisal Institute of Canada, national conference, March 6-7, Macdonald Hotel, Edmonton.
Associated Credit Bureaus of Canada meetings, Feb. 2-7, Queen Elizabeth Hotel, Montreal.
Canadian Aeronautical Association convention, Feb. 23-24, Marlborough Hotel, Winnipeg.
Canadian Aeronautical Institute convention, Feb. 27-28, Royal Alexandra Hotel, Winnipeg.
Canadian Bottlers of Carbonated Beverages convention, March 4-6, Marlborough Hotel, Winnipeg.
Canadian Electrical Distributors Association annual convention, April 21-25, Chateau Frontenac Hotel, Quebec City.
Canadian Hardware Show, Feb. 8-9, Industry Building and Coliseum, Exhibition Park, Toronto.
Canadian Jewellers' Association conference, Feb. 19-21, Royal York Hotel, Toronto.
Canadian Lumbermen's Association conference, Feb. 12-15, Queen Elizabeth Hotel, Montreal.
Canadian Pulp and Paper Association meetings of the woodland section (March 20-23) and industrial research section (March 26-29), Queen Elizabeth Hotel, Montreal.
Canadian Retail Hardware Association meetings, Feb. 3-10, Royal York Hotel, Toronto.
Canadian Shipbuilding and Ship Repairing Association conference, Feb. 20-21, Sheraton Mt. Royal Hotel, Montreal.
Canadian Sporting Goods and Cycle Association conference, Feb. 17-23, Sheraton Mt. Royal Hotel, Montreal.
Canadian Welfare Council, Community Chest and Council division conference, Feb. 8-11, Royal York Hotel, Toronto.
Chemical Institute of Canada (protective coating division) meeting, Feb. 23, Seaway Hotel, Toronto and Feb. 24, Windsor Hotel, Montreal.
Fisheries Council of Canada meetings, April 10-12, Toronto.
Hotel and Restaurant Suppliers exhibition, Jan. 31-Feb. 3, Show Mart, Montreal.
Hudson Bay Route Association meeting, April 21-22, Saskatoon.
Manitoba Dairy Association convention, Feb. 21-23, Royal Alexandra Hotel, Winnipeg.
Manitoba Dairy and Poultry Producers convention, March 29-30, Marlborough Hotel, Winnipeg.
Manitoba Teachers' Society conference, April 3-5, Marlborough Hotel, Winnipeg.
Manitoba Winter Fair, April 3-8, Winter Fair Buildings, Brandon.
Meat Packers Council of Canada conference, Feb. 6-8, Royal York Hotel, Toronto.
Montreal Gift Show, March 6-9, Show Mart, Montreal.
Montreal Sportsman's Show, March 17-26, Show Mart, Montreal.
National Council of Women of Canada, Jan. 31-Feb. 1, Macdonald Hotel, Edmonton.
North American Van Lines convention, March 22-24, Royal Alexandra Hotel, Winnipeg.
Ontario Association of Architects meeting, Feb. 9-10, Royal York Hotel, Toronto.
Ontario Good Roads Association meetings, Feb. 20-23, Royal York Hotel, Toronto.
Ontario Provincial Dailies Association conference, Feb. 23-24, Royal York Hotel, Toronto.
Ontario Road Builders' Association meeting, Feb. 22, Royal York Hotel, Toronto.
Ontario Trappers Association meeting and fur sale, Jan. 30-Feb. 1, North Bay, Ont.
Quebec Boat Show, Feb. 17-26, Blue Bonnets Raceway, Montreal.
Toronto Gift Show, Feb. 26-29, Industry Building, Exhibition Park, Toronto.

Company Reports

Beverages

CANADIAN BREWERIES LTD., Toronto, consolidated net profit of $13,761,464 for year to Oct. 31/60 was up 11%.

Sales increased to over $340.8 million. Both profits and sales made new records. Company increased its share of industry volume in all of its most important markets, Chairman E. P. Taylor and President I. R. Dowie say.

Greatest gain was in U.S., where participation in industry volume rose to 5.4% from 4.9%.

They anticipate further increases in both Canada and U.S.

New plants at Toronto, Vancouver and Baltimore are scheduled for spring opening. Capital expenditures were $27,864,000.

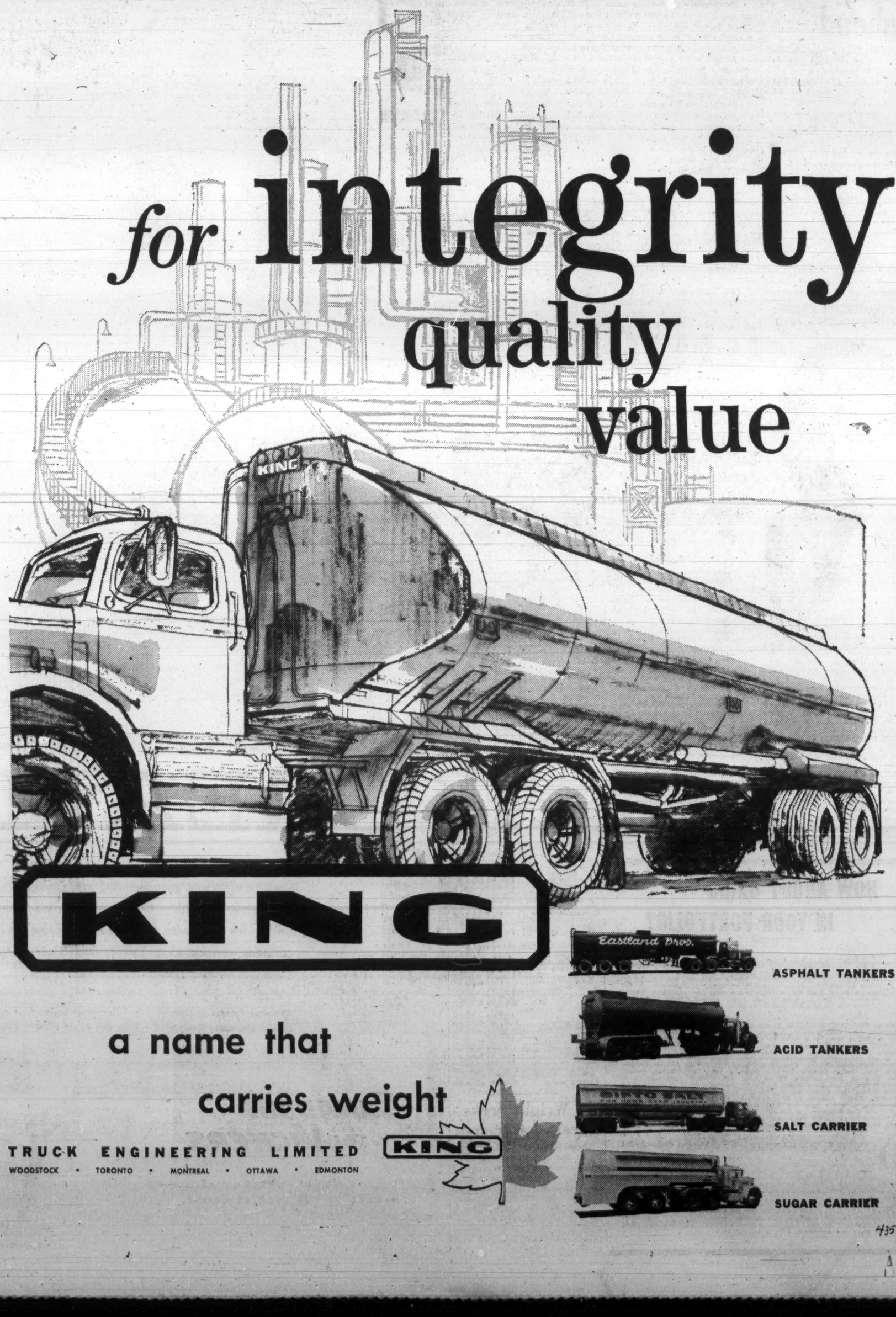
United Breweries Ltd., consolidation of a number of U.K. companies, exceeded expectations in its first six-month period. Canadian Breweries is largest shareholder, with about 10% of ordinary shares.

CONS. INCOME ACCOUNT

Years Ended Oct. 31:	1960	1959
	$	$
Net sales	346,852,368	333,764,285
Less: Sales tax	126,245,429	121,793,118
Cost of goods, gen. exp., etc.	179,178,678	175,587,577
Add: Oth. inc.	2,215,089	1,863,363
Prof. sale assets	609,447	▲281,543
Net earnings	38,342,797	37,965,410
Less: Deprec.	8,455,471	8,753,781
Interest	2,933,550	2,761,053
Taxes	12,179,000	12,950,000
Min. int.	1,013,312	1,104,584
Net profit	13,761,464	12,395,992
Less: Divds.	6,147,658	5,175,869
Surplus for year	7,613,806	7,220,123
▲Loss.		
Times All Interest Earned:		
Before depr.	13.07	13.75
After depr.	10.19	10.58
Earnings per Share and Dividend Record:		
Preferred	....	$77.14
Paid	$0.62½	1.25
Common	3.25	3.62
Paid	1.60	1.50
Shares o/s at Oct. 31:		
Preferred, $25 par	.....	160,899
Common, n.p.v.	4,202,307	3,346,904

CONS. BALANCE SHEET—MAIN ITEMS

As at Oct. 31:	1960	1959
Cash & invest.	$23,926,379	$14,632,067
Inventories	31,453,305	31,966,274
Tot. curr. assets	71,152,162	60,442,792
Investments	19,929,530	16,883,653
Fixed assets*	140,908,938	113,517,342
Total assets	237,429,966	205,342,784
Total curr. liab.	26,826,716	24,537,479
Funded debt	59,584,000	56,044,000
Min. int.	11,937,412	12,743,141
Capital stock	71,390,779	51,656,770
Earned surplus	67,491,053	59,877,247
*After depr. of	75,575,723	68,220,078
Working capital	44,326,446	36,104,313



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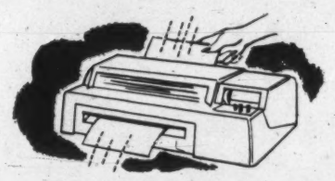

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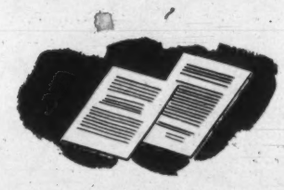

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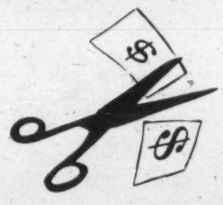

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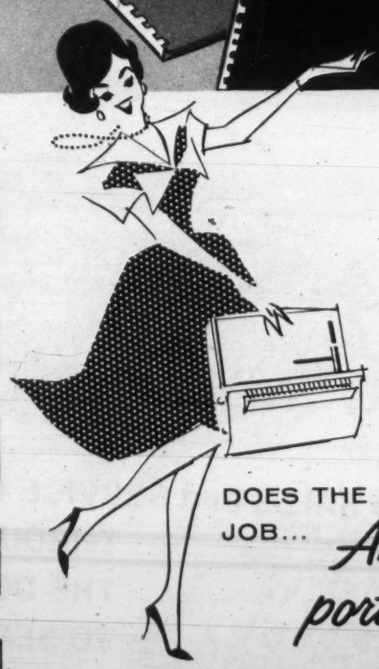

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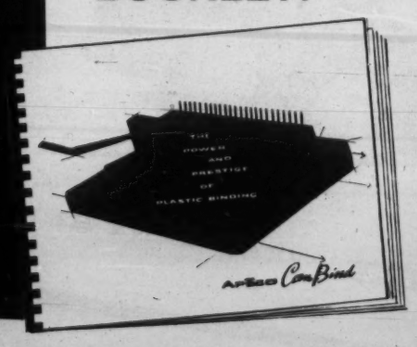

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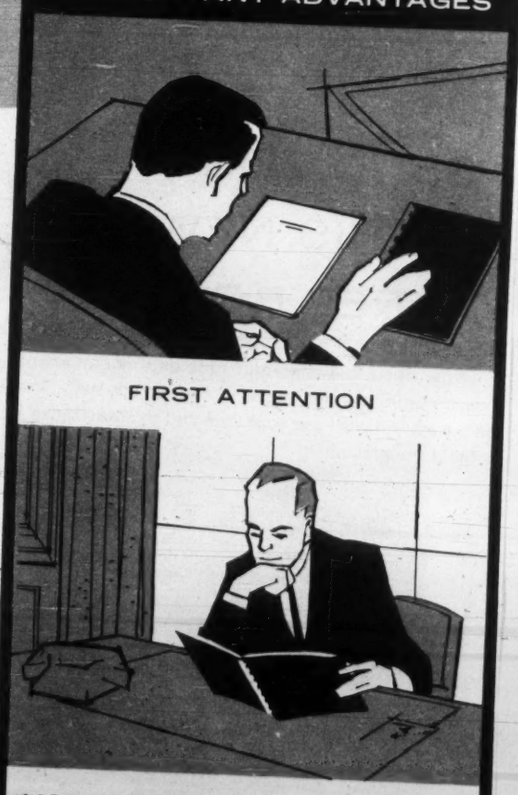

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The Financial Post

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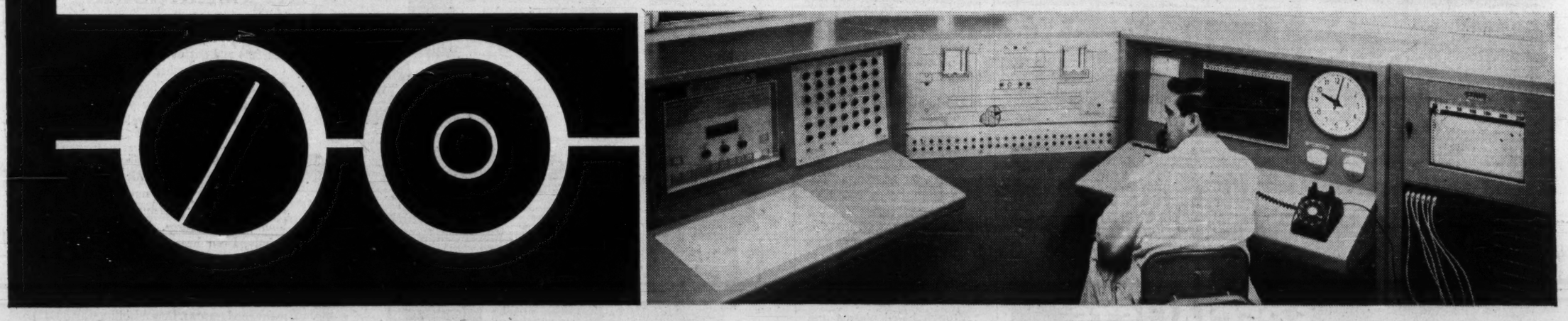


REFRIGERATION AND AIR CONDITIONING

The filtered atmosphere of the refrigeration and air-conditioning industry is one of cool confidence in its ability to sustain in 1961 the booming conditions of the past two years. The big trends ahead are commercial leasing, increasing demand for industrial equipment and continued growth in sales of home units. The industry's leaders are unanimous in their view that 1961 will be "another good year."

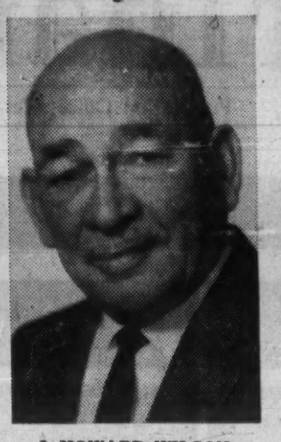
These Men Help Boost Industry

C. M. FLEMING
President.

J. B. GRAYDON
Outgoing President.

WILLIAM J. A. MARSHALL
Vice-President.

J. B. PARKER
President of the Canadian Refrigeration Manufacturers Association.



J. HOWARD WILSON
Chairman of apprenticeship committee,

TERRY McLORG
Executive Secretary.

CRACA's First Two Years Well Spent

By J. B. GRAYDON,
Retiring president, Canadian Refrigeration and Air Conditioning Association

Despite an easing in the last quarter, there is little doubt that when the figures are in, 1960 will show up as the biggest year yet for our industry in Canada.

Even with the pressure which this pace has generated, I believe we have made real progress in improving the ability of the industry to serve its customers, and, also, in the ability of CRACA to serve the industry.

CRACA is now completing two full years as a national organization.

We have had seven major committees functioning during 1960, and they have been very active in their many areas of responsibility.

These covered Apprenticeship, Codes and Standards, Marketing Surveys, Public Relations, Membership, Constitution and Bylaws, and the Fourth Canadian Refrigeration and Air Conditioning Show to be held in the fall of this year.

In addition, we have assisted in the Trade Analysis Committee under the chairmanship of S. R. Ross from the Directorate of Vocational Training, Department of Labor, Ottawa.

The work done by the trade analysis committee under Mr. Ross was a milestone in our progress in 1960, and would be a milestone in any year.

This committee has successfully completed the very formidable task of telling just what a refrigeration mechanic does in the course of his trade, and what he needs to know to do that work.

Under the leadership of the Director of Vocational Training in Ottawa, C. R. Ford, this analysis will become, we hope, the basis of training and qualification for refrigeration and air conditioning mechanics across Canada.

Our industry is moving from an era in which each manufacturer customarily marketed his equipment through specific contractors trained to install that equipment, and into an era in which a contractor may install equipment produced by any one of a number of manufacturers.

This has established an urgent need for a body of broadly trained mechanics capable of operating on this basis, and of assisting the industry to eliminate the troubles which are bound to arise when equipment is improperly installed.

Two significant steps have been taken also on the provincial level. In Alberta, the definition of a refrigeration mechanic has been broadened so that it is now effective in the control of installations, established in that province under the Tradesmen's Qualification Act.

A year ago, it was compulsory to hold a licence to work on refrigeration and air conditioning systems of 3 hp and under, but there was no requirement for a standard of proficiency above 3 hp.

The Ontario Director of Apprenticeship, D. C. McNeill, has set up a voluntary certification program for our trade under which men of five years experience or more may, on a voluntary basis, write an exam to demonstrate their competence in this field.

Certificates of proficiency will be issued to those men who pass the exam successfully, and we believe that this will stimulate the efforts now being made to establish and to demonstrate proficiency.

Further, we hope that in due time, this voluntary program can be replaced by a requirement for certificates of proficiency so that the industry and its customers will have certain knowledge that refrigeration and air conditioning installations are being made by trained men.

In the general field of trade recognition, the Toronto Refrigeration Bid Repository has now been in operation 20 months.

This depository has successfully channeled refrigeration cycle bids from specialists to the mechanical contractors, as originally planned.

A tentative agreement has also been reached covering the use of this depository for bids on complete air conditioning systems to the mechanical contractor when the specifications require operation on this basis.

Further, discussions are now under way in Vancouver which, it is hoped, will lead to the establishment of a similar depository in that city.

"I would like to mention the brief presented to the Royal Commission on Industrial Safety dealing with the Operating Engineers Act, 1953.

We have no major criticism of this Act as it applies to those plants designed for manual operation.

In recent years, however, the trends in equipment design has made it virtually impossible to obtain equipment not designed for automatic operation.

We believe, in this instance, that the emphasis should be placed on maintenance rather than on pure operation. Further, CRACA's brief to the Royal Commission recommended the establishment of a Board of Review whose task it would be to review equipment and systems to establish the degree to which they can be operated automatically, and to lay down requirements with reference to maintenance and the testing of the automatic safety devices.

Ours is an industry in which the ultimate value which the customer receives for his dollar is an amalgam of the work of many. For this reason, if for no other, I do not think that it would be exaggerating to say that good industry relations represent the most basic requirement for our continued service to our customers and for our own prosperity.

Show Time

The Fourth Canadian Refrigeration and Air Conditioning Show is to take place between Oct. 31-Nov. 2, 1961 at the Royal York Hotel, Toronto.

The show will coincide with the first international convention of the Refrigeration Service Engineers Society to be held outside the U. S.

Civilian Contracts Follow Food Tests

Rapid freeze-drying, a method of dehydrating foods such as meat and fowl, developed at the Defence Research Medical Laboratories (DRML), in Downsview near Toronto, will be established on a commercial scale through contracts let to industry by the Department of National Defence.

The first contract was let some weeks ago to **J. H. Lock and Sons,** of Toronto, and the second was awarded recently to **Essex Packers Ltd.,** of Hamilton.

The Toronto plant will develop, construct and install the equipment necessary for initial running-in tests.

The Hamilton firm will establish and confirm economical procedures for the dehydration of raw and cooked meats and for combination meat dishes.

Quantities of freeze-dried products sufficient for field trials by Canada's armed forces will then be manufactured.

Because of their stability without refrigeration and their lightness, dehydrated foods are of particular importance to the armed forces.

In addition, DRML's method of dehydrating raw or pre-cooked meats makes them indistinguishable in taste and appearance from the original meats following reconstitution.

Altough blood plasma and other delicate biological materials have undergone freeze-drying processes for many years, the procedures employed have been slow and more than 24 hrs. would be necessary to dehydrate a steak in a similar manner.

DRML's technique, where the ice developed changes directly to water vapour rather than melting, has speeded up the freeze-drying of meats substantially and novel features designed during the research phases in the Downsview laboratories will be incorporated in the new commercial unit.

The commercial availability of dehydrated foods is of interest to other government departments in addition to the armed services as well as to private organizations obliged to airlift food into isolated locations.

The commercialization of DRML's freeze-drying procedure is likely to benefit Canada more than other countries because of the increasing feeding requirements for both small and large groups employed in isolated localities far removed from rail and road facilities.

Air Condition Your Work Costs

A survey conducted by **Honeywell** in the U. S. with the assistance of **Carrier Corp.** has found that worker efficiency need increase only slightly in order for complete year-'round air conditioning to pay for itself in typical office buildings, factories and other commercial buildings.

The survey was designed to find out how much does it cost per square foot of building space to own and operate an air conditioning system; and how much does worker efficiency have to increase in order to justify the investment in air conditioning?

According to the survey, a year-round air conditioning system would amortize in 20 years if worker efficiency increased .95% in average new office building, .99% in an existing office building, 1.3% in a new industrial building, 1.6% in an existing industrial building, 4.3% in a new hospital and 4.7% in an existing hospital.

Similarly modest increases in worker efficiency were found adequate to justify air conditioning in other commercial buildings.

The survey reputed the following costs:

New office building — Air conditioning costs 53c per sq. ft. annually to own and operate. Other annual per-square-foot costs include $3.03 to operate the building, including heating; $2 for supplies and equipment, and $66 for payroll.

This means that air conditioning would be .7% of the total cost of the building and .95% of the payroll.

Existing office building — Air conditioning cost would be 65c per sq. ft., which is .9% of the total cost and .99% of the payroll.

New industrial building — Annual cost per square foot of owning and operating an air conditioning system 10 hours per day is 47c. This compares with $1.83 for operating the building, $7.05 for equipment and supplies and $36.10 for payroll.

According to the survey, air conditioning would be one per cent of the total cost and 1.3% of the payroll.

Existing industrial building — Air conditioning cost would be 58c per sq. ft. annually, or 1.3% of the total cost, and 1.6% of the payroll.

New hospital (patient's area) — Air conditioning owning and operating cost per sq. ft., 24 hrs. a day, is $1.16.

Other costs are $8.66 for building operation, $26.28 for equipment and supplies, and $29.94 for payroll.

Thus, air conditioning represents 1.8% of the total cost and 4.3% of the payroll.

Existing hospital — air conditioning cost is $1.26 per sq. ft., which is 2% of the total cost and 4.7% of the payroll.

How much worker efficiency and productivity increase with the installation of air conditioning, was indicated by these samples:

The **Detroit Edison Co.** found that without air conditioning in its drafting room 8,988 work units took 5,008 man hours. Following installation of air conditioning equipment, 10,474 work units required 3,872 man hours, indicating an increase in efficiency of 51%.

A survey of 75 manufacturing plants in the New York City area indicated that 100 days each year are so hot or humid that employees either slow down or stay home.

It found that an average $108 in wages is lost each year for each employee working in a non-air conditioned building. Plant absenteeism dropped 25% to 30% after installation of air conditioning, turnover in personnel was reduced, cleaning costs were lower and productivity increased.

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Leasing Equipment To Boost Efficiency

By TERENCE ROBERTSON

The shivering world of air conditioning and refrigeration continues to expand.

Sales are booming and 1960 produced signs of a major breakthrough in the industrial field for 1961 — commercial leasing.

More firms, impressed by reduced absenteeism wherever air conditioning is installed, are leasing equipment to install total year-round climate control in their office buildings and plants.

Latest in the field are **Beaver Air Conditioning Ltd.** who have leased $500,000 worth of equipment in the middle of winter.

Few fields of industrial activity show so much buoyancy. According to the **Canadian Refrigeration and Air Conditioning Association** trends are toward:

- **Increased efficiency** in equipment design.
- **New looks in styling** and better control of noise.
- **Smaller and lighter units** with greater horsepower and capacity.
- **Further development of the "packaged" or "factory assembled" equipment** to meet the demand for relatively standard installations.
- **Increasing attention to the development** of equipment designed for specific application, such as the air conditioning of production facilities.

"All this is largely due to the growing awareness by businessmen that adequate air conditioning increases worker efficiency," says T. W. McLorg, executive secretary of CRACA.

Expansion in refrigeration usage matches the growth in air conditioning.

Cooling and refrigeration plants are being installed in more trucks, more railway cars, more ships and in more automobiles than ever before.

Retail chain stores and supermarkets are increasing the number of refrigerated display cases.

In the air, high-flying jet air transport has brought a new market for air conditioners.

But the most unpredictable market of all — although it continues to grow — is that of portable air conditioners for the home.

"In this field, manufacturers are at the mercy of the weather," says McLorg. "If the summer months are boiling hot and humid, then the demand exceeds the supply. But a temperate summer can knock all expectations awry."

But the growth trend that began in 1959 and continued throughout 1960 is expected to reach new heights in 1961.

In housing, office and institutional buildings, in retail stores and in public places such as movie houses and theatres, in road and rail transport and in the air refrigeration and air conditioning reflect major industrial consolidation.

During the first 10 months of 1960 sales of all types of air conditioners increased by $1 million over same period for 1959 — with the greatest stride forward being made by room units for domestic use.

DBS figures showed an over-all increase of between 10%-15% on all forms of cooling equipment over 1959.

Such firms as **Frigidaire Products of Canada** and **Canadian Westinghouse** report mounting sales — even in winter.

They believe that more people are beginning to think in terms of installing some form of air - conditioning while the weather is still cool rather than wait for the first hot day of summer to call a dealer.

Sales of ice cube maker machines are also increasing. They are now virtually a necessity in motels, bars, hospitals, restaurants and cafeterias.

At summer resort hotels the custom of cutting ice in winter and storing it for the summer is rapidly dying out as owners find it less costly and more convenient to use ice cube machines.

One of the major disadvantages the industry has been struggling to overcome is the widespread belief that air conditioning is a luxury and expensive item.

The industry believes that too many people still ignore economy of operation and efficiency and pay too much attention to the initial cost of installation.

CRACA is advising members to co-operate in educating customers to the need for installations which provide true air conditioning.

This means that a single piece of equipment can provide not merely cooling but also heating, dehumidification, air distribution and air filtering.

The association thinks there has never been such a need for professional consultation in air conditioning installations. Already, the interest of potential customers in the off-season exceeds that of last year.

In retail stores which have been mushrooming across the country, refrigeration contractors have been called in to plan buildings from the ground up.

The natural gas industry is also aware of the potential market in refrigeration and air conditioning.

New units, specially designed to operate on natural gas, are being designed to sell at competitive prices.

The first absorption units, directly gas-fired, were placed on the market last year. They operate on the same principle as gas refrigerators.

Other commercial type units have been installed in office buildings in Toronto and Montreal. These operate with steam generated by natural gas, oil or coal.

To encourage the gas invasion of the air conditioning field, the utilities are offering units and low rates for both commercial and residential use.

"What we want in 1961," says CRACA," is greater co-operation between the public and the industry.

"It is probably too soon for anyone to know what sort of summer is ahead, but if people are wise they will start consulting air conditioning dealers now.

"This equipment is not a luxury, but an important step forward in total climate control. That is the objective we are aiming for."

J. B. Parker, sales manager of **Carrier Air Conditioning (Canada) Ltd.**, says: "We want people to realize there is no need to let mold and mildew destroy their homes or to live in uncomfortably hot weather without the benefit of complete cooling systems.

"Mold and mildew breed and thrive in dark, damp, poorly ventilated areas of a house. They attack clothing, furniture, books and even the structure of the home. And once started, they're hard to stop or control.

"One of their worst aspects is a musty, unclean odor," says Parker.

"Therefore, the best cure is to destroy the conditions under which both these marauders thrive. Air conditioning does more than just cool a house. It reduces moisture and circulates the air, thereby cleaning it.

"As air is cooled, the moisture content is lowered. The dry air then absorbs dampness from clothing, rugs, drapes and other furnishings. This starves out the mold and mildew," he says.

"A room air conditioner will do the job, particularly if it is left on continuously. But too many homeowners hesitate to leave it on when they are out of their homes for any length of time."

The answer to this, and other problems, thinks the industry, lies in better understanding by the public of the proper functions of air conditioning.

Factory Shipments

Shipments from the Factory of Air-Conditioning & Refrigeration Equipment

	1960	1959
Air-Condit. units (not self-contained)		
Jan.	213,896	109,374
Feb.	274,394	96,117
March	412,178	306,444
April	412,354	202,456
August	244,676	168,252
Room Air-Condit. (windowsill type)		
Jan.	20,726	8,368
Feb.	153,484	8,209
March	161,621	65,084
April	299,108	125,738
August	92,670	257,036
Packaged Air-Condit. — self-contained		
Jan.	89,196	89,869
Feb.	148,884	127,565
March	227,703	150,841
April	361,831	200,327
August	224,313	208,477
Unit coolers, refrigeration:		
(a) Ceiling & wall type (including hot gas defrost type)		
Jan.	48,081	55,462
Feb.	65,791	54,006
March	73,876	65,884
April	85,796	65,224
August	79,734	63,895
(b) Other (including floor mounted & gravity fin coils)		
Jan.	18,543	14,413
Feb.	45,464	16,938
March	36,330	21,349
April	20,930	23,077
August	11,083	24,548
All other refrigeration & air conditioning products		
Jan.	383,317	188,880
Feb.	481,081	159,481
March	353,003	171,725
April	336,897	335,959
August	334,557	189,924
Commercial refrigeration:		
Milk coolers		
Jan.	18,048	11,717
Feb.	15,173	34,236
March	41,810	18,639
April	95,349	60,092
August	84,576	60,660
Beverage coolers, office type water coolers & ice cream cabinets		
Jan.	76,174	56,563
Feb.	77,406	88,233
March	120,664	138,719
April	449,317	244,937
August	199,432	151,573
Display cases — self service		
(1) Low Temperature		
(2) Normal Temperature		
Jan.	(1) 148,178	(1) 79,344
	(2) 141,998	(2) 81,092
Feb.	(1) 143,783	(1) 95,738
	(2) 219,287	(2) 179,030
March	(1) 132,002	(1) 134,220
	(2) 152,497	(2) 106,566
April	(1) 42,578	(1) 37,973
	(2) 2,065	(2) 3,491
August	(1) 31,177	(1) 27,050
	(2) 6,344	(2) 1,951
Prefabricated walk-in coolers		
Jan.	136,355	65,966
Feb.	99,730	60,419
March	126,375	65,742
April	132,905	64,252
August	105,452	65,110

Source: DBS

Shipments for Provinces

Production, Factory Shipments and Factory Stocks of Domestic Type Mechanical Refrigerators

	10 months ended October 1959	1960
	(Number)	
Stocks at beginning of period	....	....
Production during period	222,218	215,549
Shipped during period to:		
Newfoundland	1,808	2,775
Maritimes	13,120	14,884
Quebec	63,056	60,840
Ontario	88,039	84,741
Manitoba	9,613	15,440
Saskatchewan	7,397	8,618
Alberta	13,329	14,761
British Columbia	16,294	16,733
CANADA	212,656	218,792
Export*	1,472	2,263
Stocks at end of period	....	....

*Producers' shipments for export.

Production, Factory Shipments and Factory Stocks of Individual Electric Home and Farm Freezers, Domestic Type, All Sizes

	10 months ended October 1959	1960
	(Number)	
Stocks at beginning of period	....	....
Production during period	43,934	65,981
Shipped during period to:		
Newfoundland	160	444
Maritimes	1,456	2,124
Quebec	3,902	5,028
Ontario	20,077	27,988
Manitoba	4,257	11,483
Saskatchewan	2,758	7,134
Alberta	4,281	9,350
British Columbia	3,089	4,795
CANADA	39,980	68,346
Export*	38	198
Stocks at end of period	....	....

*Producers' shipments for export.

Note: In some cases shipments are at other than factory level, therefore, stocks at beginning of month, plus production, less shipments does not equal stocks at end of each month.

Source: DBS.

Seek Better Display

Retail stores and supermarkets in Canada are demanding more ingenuity in the design of refrigerated display cases than ever before.

As new food products appear on the market, the need to display them effectively and to keep them fresh grows increasingly urgent and complex.

Manufacturers are meeting this demand by moving into the contracting and consultant fields.

Before a new supermarket is built, refrigeration experts are consulted and often supervise construction of the building.

The "big four" in this field are **Hussman Refrigerator Co.** of Brantford, Ont.; **Canadian Tyler Refrigeration Ltd.** of Tilbury, Ont.; **C. V. Hill of Barrie, Ont.**; and **McCray Refrigeration** of Toronto.

Food retailing in Canada is highly competitive. The stores like this as much as the housewife because benefit from the promotion of products and the improvement of service.

Hussman's believe that the trend of the sixties will be smaller supermarkets and more of them. This will enable shoppers to deal with stores more conveniently placed than at present.

The firm calls this development the "superette," which is already becoming evident in U. S. retailing centres.

Another innovation which Hussman's expect to cross the border into Canada is the "quick-shop" drive-in — a sort of late night superette which features convenience-type frozen foods such as vegetables, delicatessen products, ice cream and television dinners.

For this reason Hussman's are already designing refrigerator display cases which can hold large amounts of food products in smaller floor spaces.

A company spokesman said: "We think this mass buying of convenience-type frozen foods is only really beginning in Canada. Supermarkets will have to meet a growing demand in this direction by displaying a greater variety of foods."

Your Jet Comfort In the Air

Have you ever wondered how **TCA** jet travel can be so comfortable?

It is because the DC-8 jetliners operated by TCA are air conditioned even though the temperature outside the aircraft might be 45 deg. below zero—as it is at 40,000 ft.

Air conditioners powerful enough to cool 14 average-size homes are used to keep from 120 to 176 passengers comfortable as the craft speeds at 590 mph.

The reason for cooling at arctic temperatures lies in the dance of pressurized air molecules as they are snatched out of thin atmosphere at 40,000 ft. and squeezed to the equivalent of an 8,000-ft. altitude.

Under pressure, the molecules jump faster and faster, gaining in heat until they reach 235 deg.

This air is cooled to about 90 deg. while flowing through tubes chilled by the frigid outside airstream.

But with passengers and a maze of electronic equipment aboard, temperatures inside the cabin would mount to over 100 deg.

The answer was a tiny refrigeration compressor that makes up for its 11-lb. weight by turning at 90,000 rpm.

The result is that the air-conditioning equipment weighs only 300 lb. and yet produces as much cooling as a 5,000-lb. commercial unit.

A Growing Market In Curling Rinks

An interesting example of the evolution of a curling club, and its present day popularity in Quebec, is in the Wentworth C.C., a division of the Canadian Pacific Recreational Club at Sortin in suburban Montreal. W. J. Fairweather is manager.

This recreational club for employees of the CPR had its modest beginning in 1917 when four tennis courts were made.

Three years later an old Railroad YMCA bunkhouse for trainmen and engineers was used as a clubhouse, the men having use of the basement while the ladies had the use of one upstairs room.

By 1924 the club had taken over the entire building. Besides tennis, which had increased to eight courts, the club had expanded to include a soccer football field for the use of ships' crews in port, a cricket pitch, a baseball diamond and a softball diamond, an outdoor rink for an inter-departmental hockey league, as well as other sports activities.

In 1931, a nine-hole golf course was laid out, 1,765 yd. long, which was later extended to 2,925 yd. Three years later this golf course had 18 holes, and was 5,525 yd. long.

To make way for the St. Luc railroad yard, the golf course had to be redesigned in 1948.

The club was ever growing, and by 1956 the old clubhouse was demolished, and a new and spacious clubhouse was built.

This new building was of bright and functional design to suit more exacting social demands, amid landscaped gardens, and with dressing rooms and other facilities for ever-broadening activities.

Increased recreational activities had to be developed for the long winter months. It was inevitable that curling should be the popular choice.

All that was necessary was to make an extension to the clubhouse and install the refrigeration equipment for the four-pad curling rink.

Each pad is 14 ft. 2 in. wide by 146 ft. long, with cooling by the **Canadian Ice Machine Co.** Balanced Charge Brine Ammonia System. **Deakin & Stewart** of Montreal were the building contractors.

New Co.: Elliott Moves Into Canada

Elliott Co., Jeannette, Pennsylvania, and **Carrier Air Conditioning (Canada) Ltd.,** Toronto have announced the formation of **Elliott Industrial Equipment Co.** as a division of Carrier Air Conditioning (Canada) Limited.

The new organization will be responsible for the sale of Elliott equipment throughout the central part of Canada, including all but the easternmost part of Ontario and the Provinces of Manitoba and Saskatchewan.

Distribution of Elliott products in the remainder of Canada will continue to be managed by **Canapower Thermal Specialties** with offices in Montreal, Toronto and Vancouver.

Elliott Co., a division of **Carrier Corp.,** Syracuse, New York, is an internationally known manufacturer of steam turbines, air and gas compressors and expanders, industrial process machinery, power recovery gas turbines, turbo - superchargers and motors and generators.

The headquarters of Elliott Industrial Equipment Co. are at Port Credit, Ontario.

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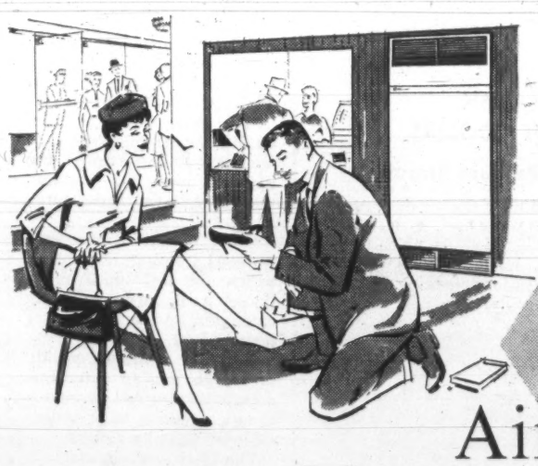

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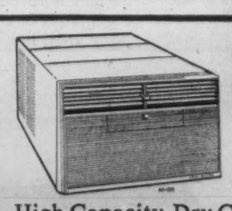


For Home, Office and Business

High-Capacity Dry-Cooling!

You get cool, quiet, draft-free comfort with a Frigidaire Heavy-Duty Imperial room air conditioner. These handsome "low silhouette" models are ideal where you need "a little more than average" room air conditioning. And they can be installed in a transom or thru-the-wall — placed in windows flush with drapes, or balanced on the sill.

Frigidaire — Product of General Motors

Refrigeration

FROM
DRINKING FOUNTAINS

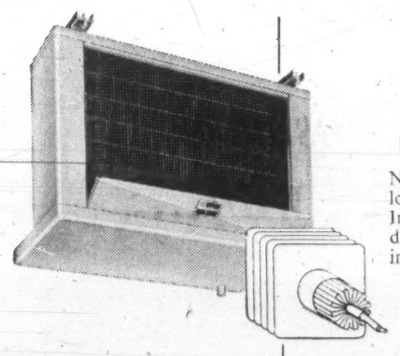
TO
FOOD STORAGE PLANTS

THERE IS A

DUNHAM-BUSH-BRUNNER PRODUCT TO MEET THE NEED

Every day makes new demands upon the refrigeration industry. Dunham-Bush-Brunner research never lets up. Whatever the refrigeration requirement, there is a Dunham-Bush-Brunner product; whatever the problem, there is a Dunham-Bush-Brunner specific answer.

Outstanding among the many Dunham-Bush-Brunner products are:-

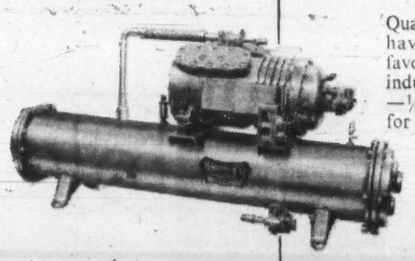


DUNHAM-BUSH DEFROST UNIT COOLERS

For Sub-Freezing Produce Storage

No defrost problems with these electric defrost, low temperature units. No waste heat. Exclusive Inner-Fin Coil construction permits units to defrost from the inside. Heater cable inside inner tube provides the heat for defrosting.

BRUNNER CONDENSING UNITS



Quality, top performance and easy field servicing have made Brunner Condensing Units top favorites in the refrigeration and air conditioning industries. They are available in air-cooled units —¼—3 h.p., water-cooled ⅓—100 h.p. and for remote condenser applications, ⅓—100 h.p.

DUNHAM-BUSH-HEAT-X CAST ALUMINUM LIQUID COOLERS

For Bars and Soda Fountains

These are direct expansion coolers of the simplest design. Both refrigerant and liquid circuits are continuous tubing, cast in aluminum. There are no internal moving parts.

heat-x

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AIR CONDITIONING, REFRIGERATION, HEATING PRODUCTS AND ACCESSORIES

Automatic Heating Sets 1960 Record

Homeowners helped the automatic heating industry celebrate its 75th anniversary in 1960 by boosting the number of automatically heated homes in Canada to a new all-time high.

Thus continued a trend in which the number of automatically controlled heating systems has increased at a fantastic rate since the end of World War II, says Donald Grant, national sales manager, residential division, **Honeywell Controls Ltd.**

Rapid expansion of automatic heating, particularly in its earlier stages, was chiefly the result of developments within the heating industry which made possible the use of oil as a fuel for the home.

Automatic heating was given further impetus with greatly expanded use of natural gas, propane gas and electricity as heating fuels and with the development of more sophisticated forced warm air and hydronic equipment.

Although virtually all homes constructed or modernized today include automatic heating, the industry still has a very great growth potential, Grant believes.

As a result of the use of these so-called "modern" fuels, the heating industry is currently able to offer a complete home comfort package, including heating, air conditioning, humidification, dehumidification and, most recently, electronically clean air.

What is equally important, Grant maintains, is the fact that the public is rapidly becoming more aware of what the industry has developed within the past few years, toward making indoor living a much more pleasant and comfortable experience.

"Knowledge of the true meaning of indoor climate control and the realization that such things as proper heating and cooling are not luxuries have helped spur interest in indoor climate to unprecedented heights," he says.

In the field of air conditioning, for example, he points out that tests in the U. S. have shown that home air conditioning in areas with climates not much different from Canada's, results in more than an hour's extra sleep a night during the summer for each member of the family and daytime naps for children that stretch out three times longer.

Other effects of the tests were as follows: Hot meals, which are 40% more nutritious, are enthusiastically eaten despite soaring outdoor temperature.

A $5.80 average weekly saving on outside entertainment was recorded. Laundry time was cut in half; housecleaning time by a third.

The fact that interest in home heating comfort is becoming more widespread in Canada, is vividly illustrated by the experience of the Bel-Air Estates development in Calgary, Alta., he says.

This housing development features control of indoor climate and architects from outside Canada have already made a point of visiting it. **In the first two weeks of its opening, some 6,000 people paid admission fees of 75c a person**—a dollar a couple—just to look around.

Not the least of this interest, Grant says, was that displayed toward such modern heating concepts as Zone Control—the idea of dividing a house into distinct areas for heating and cooling purposes —and such devices as the Indoor - Outdoor temperature control system and the Weather Station, which is essentially a miniature Supervisory Data Centre such as is used in commercial buildings.

"Despite the very great advances in automatic heating and cooling made since the end of the war," he declares, "the industry as a whole still has a vast area available to it for growth and expansion."

Economic Cooling

Build your house with the furnace next to an outside wall if you want to add central cooling economically.

Hundreds of thousands of four, five and six-room houses can be centrally cooled for only a few hundred dollars if builders will move the furnace out of the centre of the home.

Some manufacturers have introduced to builders a new method of connecting an all-in-one-cabinet summer air conditioner to a forced air furnace to provide year-round comfort.

The furnace must be placed in a basement, closet or crawlspace next to an outside wall. The cooling unit is inserted through an opening in the wall to connect directly to the sheetmetal box or plenum above the furnace.

The method works equally well with the upflow furnace used most commonly, or with the downflow furnace sometimes used in houses constructed on slabs.

It also works with the horizontal furnaces which are placed either in attics or crawlspaces.

The all-in-one-cabinet air conditioner costs less initially than other types of equipment. Installation or labor cost is usually less, too, because there is no piping of refrigerent to an outdoor section.

Show Concentrates On Conditioning

Visitors to the National Heating and Air Conditioning Show next March 6-8, will see the most revolutionary heating and air conditioning devices in the history of a show that has been called the showcase of the heating and air conditioning industry in Canada.

The National Heating and Air Conditioning Show, to be held once again in the Automotive Building in Exhibition Park, Toronto, will be the seventh presentation of this event.

It is held every two years. But it will be a show with a noticeable difference.

For the first time, the air conditioning part of the exhibition will come into its own.

As a result, manager Arnold Rowe-Sleeman hopes it will gain recognition for its air conditioning displays as well as its heating exhibits.

"Greater emphasis on air conditioning equipment in this year's show reflects the growing interest in control of indoor climate across the nation," says Rowe-Sleeman.

"In many quarters," he adds, "air conditioning is considered to be on the verge of a major breakthrough."

There are many signs that the public is ceasing to regard air conditioning as a luxury and is now looking upon it more as a necessity, even for the home.

The federal government, as an example, has comparatively recently begun installing air conditioning in its major public buildings or, failing that, constructing new buildings in such a way that only the addition of compressors is required to make them fully air conditioned.

Technological developments in the home heating and air conditioning fields are also sparking hopes that this potentially huge market will soon be ready for exploitation.

Exhibitors have seized upon a recognizable change in attitude toward what is now frequently referred to as comfort climate, or control of indoor climate, to feature a wide variety of equipment.

These include air conditioning systems for residential and commercial applications, electronic air filtering devices and humidifiers.

Due emphasis is also being placed on the introduction of

ROWE-SLEEMAN

revolutionary fuel burning devices for both oil and gas.

The seventh National Heating and Air Conditioning Show will, in fact, be the broadest-based show ever.

Represented for the first time will be the Electric Heating Association which will have 12 member companies exhibiting under its banner, varied equipment for use in residential as well as commercial buildings.

Interesting exhibits already scheduled for display include heating equipment, which brings a totally new approach to fuel oil combustion, as well as other, advanced heating concepts embodying new firing principles, heat exchangers and transmission system.

Also to be on display will be gas-fired infra-red generators and various products applicable to hydronic heating and cooling.

The latter is arousing interest because of the fact that the same units can be used for both heating and cooling, with the system being sized to the cooling load.

The show, strictly a trade exhibition, had more than 10,000 registered trade admissions when it ran for a three-day period in 1959.

These visitors are composed essentially of air conditioning and heating contractors, consulting engineers, architects, plant engineers, equipment dealers, power engineers, fuel dealers, institutional and property managers, school trustees, retail dealers, jobbers and distributors to the air conditioning and heating trades.

A larger total attendance is expected for the forthcoming show.

Trust Office Gets Latest Conditioning

Toronto General Trust's 48-year - old head office building on Bay St. is undergoing a complete renovation and air conditioning program to provide modern and more comfortable working conditions.

Dark polished woodwork, incandescent lighting, marble tile and brass, are giving way to matched walnut paneling, acoustic ceilings, textured walls and soft fluorescent lighting all completely climate controlled with the latest air conditioning equipment.

The air conditioning system was planned as an integral part of the renovation program and **Beaver Air Conditioning Ltd.**, were assigned this task.

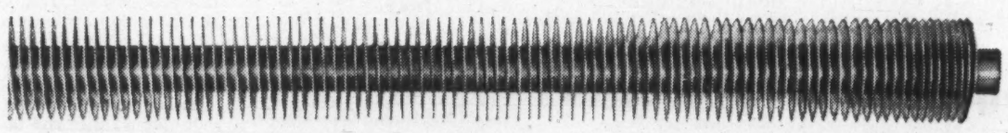
Faced with definite design and space problems, Beaver engineers designed a system that could be housed on one floor but which would provide air conditioning for two floors.

"If we had put separate units on each floor," explained Beaver engineer Charles Bell, "we would have required two equipment rooms of about the same dimensions as the single one we are now using.

"I imagine the way we did the job would save the company around $1,500 a year in floor space alone."

THE MAN WHO CLAIMS HE WILL NEVER MAKE A MISTAKE —HAS JUST COMMITTED HIS FIRST

This we consider to be fundamental. Mistakes *are* made . . . and every man *owes* his company the privilege of a full investigation before buying equipment. Over the years at Vapor, this belief has gradually developed into an axiom of business . . . a *creed* of *quality* . . . that is *your* guarantee of consistently high performance in every product.



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With up to 14 fins per inch of tubing, turbulence and resistance are lowered, permitting higher air velocities and more efficient radiation. Clogging is cut to a minimum, and consequently all cleaning and maintenance costs are greatly reduced.

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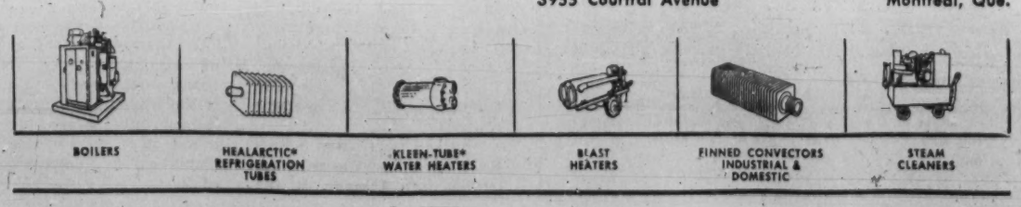

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Home Units Designed For Cost

New home units for 1961 include designs which reduce noise and provide greater simplicity in styles.

Frigidaire Products of Canada Ltd., include nine types of refrigerators and nine models of food freezers in their 1961 line.

"The new styling and labor-saving convenience features incorporated into these designs represent a big step forward in helping Canadian home owners to raise living standards on limited budgets," says President W. Carl Cannon.

GRANEK

- *"As a parent, I would send my children to windowless classrooms."*
- *"As a citizen, I question the waste of money spent in not guaranteeing maximum use of school hours . . . regardless of outside weather conditions."*
- *"I begrudge the misuse of the teaching dollar spent in adjusting windows, blinds or drapes . . . or distractions of students due to outside influences."*

'Let's Get Rid of Classroom Windows'

Why not windowless schools? asks Toronto consulting engineer Gerhard "Gerry" Granek, senior partner in the Toronto firm of G. Granek & Associates.

In this controversial article, he argues the case for doing away with windows on the grounds that:

- **Drafts would be eliminated.**
- **Schools would be properly temperature controlled.**
- **Classrooms would be shaped to meet particular needs.**
- **Window breakages due to thoughtless vandalism would stop.**
- **The air our children breathed would be filtered and pure.**

By G. GRANEK

Of the thousands of classrooms which will be designed and built in the next decade, how many will be obsolete in 1971?

How many will be too restrictive to allow new and changing teaching methods? Will our schools be adaptable to the use of TV, audio-visual and other artificial teaching aids?

Will our newest schools be flexible enough?

The little red schoolhouse with its pot-belly stove has been replaced by glass-encased, modern, rambling buildings, subdivided into regulation-size classrooms, each with its chalkboard at the front, tackboard at the rear, and windows of stipulated minimum size at the left to allow the daylight to enter over the student's left shoulder.

A prescribed minimum of opening sash allows the teachers to open or close windows to suit their varying whims.

But does this window, unduly restricting classroom and school house planning, fulfill its function of admitting light and air?

The advent of the modern fluorescent light fixtures makes it feasible to provide artificial lighting of the required quality and intensity for school room use.

Today, most lighting designers ignore the effect of daylight. As a matter of fact, in most schools, drapes, blinds, or curtains are used to reduce distracting sun glare (incidentally burdening the teacher with another custodial chore).

To achieve the desirable indoor environment by the opening of windows is not only an unwarranted tax upon the teacher to act as a walking thermostat, but it ignores all salient factors concerning speed and direction of wind, the outside temperature and humidity; and results in causing drafts without effectively maintaining stable conditions within the room.

The positive heat gain given off by lights and pupils in the average classroom is sufficient to overcome heat losses by conduction through glass, walls, and roof on a 35-deg.-F day.

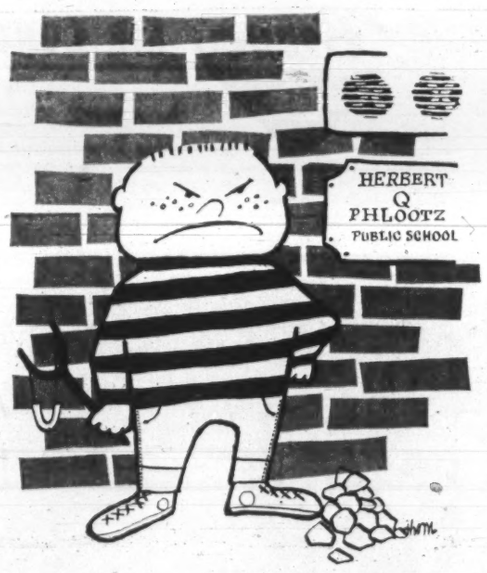
Heat gained from the sun through windows more than doubles the cooling requirements for the room; indicating the need of offsetting positive heat gains in a classroom with sun exposed to windows, even on a 0-deg.-F day. To get rid of this excessive heat, sufficient air at about 55-deg.-F must be circulated.

Study of meteorological reports shows a need for artificial cooling for most of the school year.

In the Toronto area for example, some days between the months of February to November will likely have higher than the 55-deg.-F outside temperatures required for effective cooling.

Of course, by eliminating windows the major source of heat gains, the amount of the refrigeration requirements can be reduced considerably and the need for cooling artificially in the winter can be eliminated.

With the drop in outside temperature, the reduced inside surface temperature of glass causes downdrafts of cold air resulting in an unhealthy cold floor and drafts around the ankles of students in outside rows, while the cold glass surface causes discomfort around the necks due to reverse radiant effect.



To overcome these problems it may be necessary, in the conventional classroom, to provide heat blanketing under windows, while simultaneously cooling, in order to prevent excessive room temperatures and stuffiness.

By eliminating windows in outside walls of a classroom, these effects can be reduced to the point where it is no longer necessary to provide radiation along outside walls. Thus, reductions in the cost of the heating plant can be achieved.

Drapes and blinds with their periodic cleaning and replacement costs could disappear.

Breakage of windows due to vandalism is an annual recurring cost which could be reduced drastically.

Eliminating the necessity for outside glass walls in a classroom frees the architectural designer to provide a more efficient use of space in classroom and school planning.

A well-known maxim is that the reduction in the outside surfaces of any building to a minimum results in the greatest efficiency in the use of space.

Thus shrinking the perimeter of the school achieves great over-all savings in first-cost.

Some cost analysis of school buildings in the U.S. have shown actual savings in constructing compact windowless classroom schools including cooling plant, over comparative schools using windows and conventional heating-ventilating systems.

Even with the most conservative figuring, it can be shown that a conventionally shaped windowless school can be designed to include year-round cooling in classrooms without increasing the over-all first-cost more than 2% to 5%.

With the need of keeping abreast of technological and sociological developments, and as a result of special studies on education methods of teaching are changing rapidly.

For example, one method involves a specialist addressing a large group, containing perhaps many classes, which then reassembles into many small, supervised discussion groups.

The air conditioned windowless classroom would have many advantages. Movable partitions could be utilized giving required flexibility.

The acoustic treatment in rooms could be improved and distracting noises from outside could be eliminated.

Classrooms could be easily located in desired and varying relationship to each other. The shape of classrooms could be suited to their peculiar needs.

Disturbing drafts and unequal temperatures across the room would be eliminated and proper temperature control would be easily achieved. Winter-time humidification, now often ignored, could be added and easily maintained and controlled, even in the coldest weather.

With single glazing, humidification in buildings has to be kept below the desirable minimum in order to prevent condensation on the glass surface.

All air introduced into rooms could be filtered, eliminating dust and insects and thus reducing cleaning and repainting costs, spread of pollen, and respiratory disease germs. The costly maintaining of window sash as well as replacing window panes would be reduced.

Elimination of visual distraction from outside sources is evident.

The use of windowless classrooms and the possible shrinkage of school perimeter would allow better use of land, less concern about orientation and location in relation to other buildings or other outside influences; matters of great concern, particularly in urban areas.

The increased operational costs due to refrigeration and incidental maintenance could be offset by reduction in over-all cleaning, maintenance and fuel costs.

The use of schoolrooms for extra-curricular activities is ever increasing in most communities. The students' use for hobbies and study is followed by the use of facilities by Boy Scouts and similar organizations.

In the evenings, classrooms are used for night-school teaching and as meeting rooms for PTA, church, civic and social groups. The attraction of having year-round controlled thermal environments for such use is unquestionable.

In discussing the question of windowless air-conditioned classrooms, the reaction often encountered is put forward in this form — "Would you, as a parent, send your kids to a school with windowless classrooms?" To answer this question honestly, not as a materialistic engineer but as an emotion-bound parent, I drew upon personal experience of exposing my "flesh-and-blood" to a similar sterile unhomelike atmosphere.

After having escorted my children to matinee performances in cinema houses where, after standing in line for hours in the bright sunlight, they entered dimly lit "caverns" and were exposed to over three consecutive hours of a potpourri of comedy, horse-opera and drama as produced by Hollywood's finest, they immediately wanted to darken the windows by drawing the blinds and turning on the TV, after coming home.

The designers of theatres have, for many years, exposed us to windowless design of auditoria, without any over-all ill effects upon the populace.

It is not practical or economical to design differently. The average exposure time of captive audiences in an auditorium is 2½ hours. Our school schedules call for rotation between classrooms every 40 minutes in high schools.

Even in public schools, students are not bound to their classrooms any longer than 90 minutes at any one time.

The frequent changes, even under the present curriculum, would provide the students the visual breaks which they n ay require for their psychological comforts, in corridors or areas set aside for the specific purpose of visual change.

Parents and educators are not at all concerned about our 17-year-old children attending windowless lecture halls at universities, but we have all assumed that schools must be similar in construction to our houses, thus providing children with a supposedly home-like atmosphere and giving them opportunity for visual breaks.

There is no authentic physiological or psychological studies that substantiate the requirements for this need. In the design of schools, the accent upon home-like atmosphere has been extended from our kindergartens right through high schools. The actual benefit of the extensive use of glass upon children even at the ages of five or six are very doubtful if the number of times that kids actually look out of windows during classes or play are any indication.

As a parent, my answer is that I would send my children to a windowless classroom if they were provided with proper thermal environment, thus improving their alertness and performance, reducing their absenteeism due to colds and infections and giving them the benefit of improved teacher performance and attitude.

As a citizen, I question the waste of money spent in not guaranteeing a maximum use of school hours by all students and teachers regardless of outside weather conditions. Out of 8,760 hr. every year, schools are used for purposes of teaching day-school only 1,100 hr.

I begrudge the misuse of the teaching dollar spent in adjusting windows, blinds or drapes; distractions of students due to outside influences; and the design of structures which will be obsolete for the use of newer and better teaching methods and aids.

Omitting the buggy whip holder from the early automobile was a brave step to the horse-drawn carriage-riding generation.

It will require similar courage in our era of psychological super-sensitivity to leave the windows out of our classrooms.

Some New Products

Worthington (Canada) Ltd. are marketing a new product known as the "Twin-Duct Air Blender". It is designed for high velocity, double duct air conditioning systems. It is a ceiling and under-window operation which requires no motor or mechanical linkage.

Carrier Air Conditioning of Canada have released a new Bypass Weathermaster air conditioning unit which is said to cut as much as 30% from the cost of room units in multi-story air conditioning systems. Key to the economic operation is a factory-installed and balanced control which is powered by the air itself. Air flow through the unit is controlled while the water flow remains constant. Carrier has also produced a new room air conditioner only 16 inches high and 26½ inches wide. It installs flush with a window inside and projects only a few inches outside.

Fedders Corporation of New York has produced a 1961 room air conditioner called the Climatimer. It incorporates a clock timer that can be preset to start the unit at any hour. The idea is that homeowners will not have to cool empty houses or return after vacations to hot ones.

American Standard and Plumbing and Heating Co. of New York has announced a new overhead ceiling air conditioner called Type 30 Remotaire. It is a fan coil installed in an attractive cabinet which is thermally and acoustically insulated. It is 10¾ inches deep.

Whisky distillers are finding two new methods of employing refrigeration. First is to provide chilled water for the rapid chilling of the mash after it has been cooked. Secondly, to control the temperature of the fermentation. Chilled water is necessary to start and control the rate of fermentation. Instead of closing down in the late spring because there is insufficient cold water to control fermentation, distillers are using refrigerated water for year-round operation.

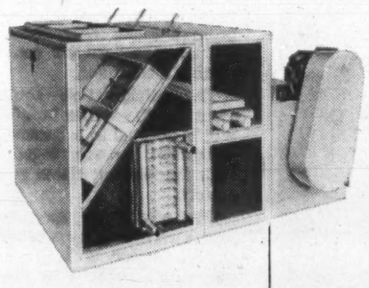
AIR CONDITIONING

FROM TEN-UNIT MOTELS TO MULTI-STOREY BUILDINGS

THERE IS . . . A DUNHAM-BUSH-BRUNNER UNIT TO FIT THE NEED

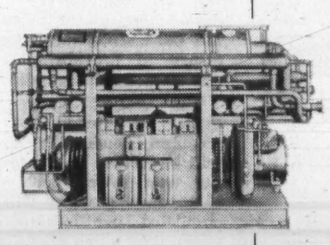
THE DUNHAM-BUSH UNDER-WINDOW UNIT, illustrated above, is ideal for existing, as well as new, buildings. It uses hot water or steam for heating; cold water for cooling. Three-speed fan control gives individual selection for air circulation.

Outstanding among the many Dunham-Bush-Brunner products are:-



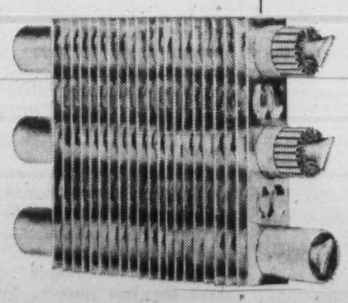
DUNHAM-BUSH MULTIZONE UNITS

provide individually controlled air-conditioning for various zones from one unit; raise or lower temperatures; increase or decrease humidity. Easy installation, life-long operation, 9 sizes. Capacities 2,500-28,000 C.F.M.



BRUNNER-HEAT-X PACKAGE CHILLERS

assure years of continuous, satisfactory operation. They are specially designed for chilled water air conditioning systems, and process cooling. Small and compact, P.C. units possess very high ratings because of their Inner-Fin Coil construction. Completely self-contained, they come factory wired, ready for installation. Capacities 2-100 tons.



DUNHAM-BUSH COILS

The exclusive Inner-Fin construction of Dunham-Bush Coils provides greater surface area in contact with refrigerant. This enables heat transfer equipment to be made extremely compact . . . of prime importance with today's architectural trends.

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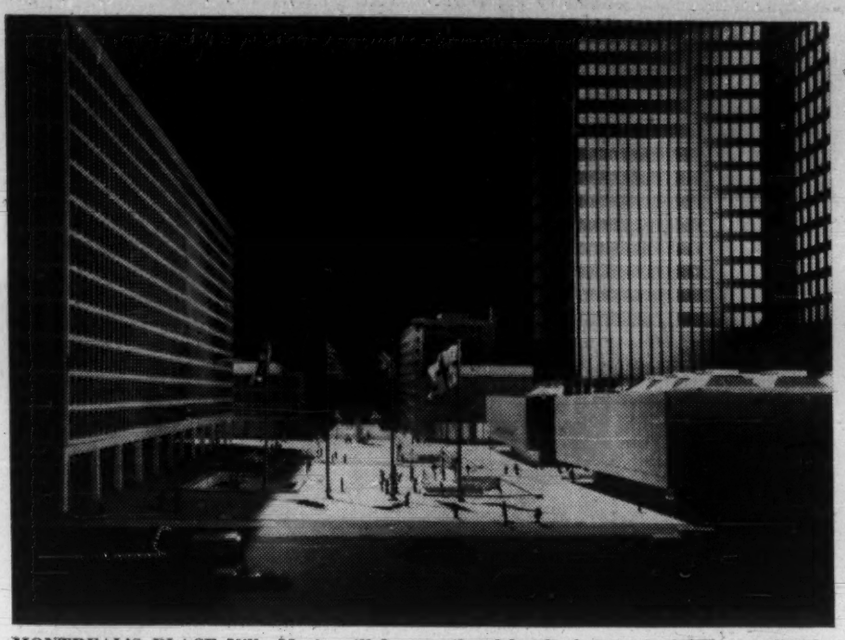


MONTREAL'S PLACE Ville Marie will be ventilated by the largest fans ever installed by Canadian Westinghouse.

Modern Buildings Prove Need for 'Conditioning'

The value of air conditioning and refrigeration is becoming increasingly apparent to architects and builders.

This fact is illustrated by these buildings either recently completed or still under construction:

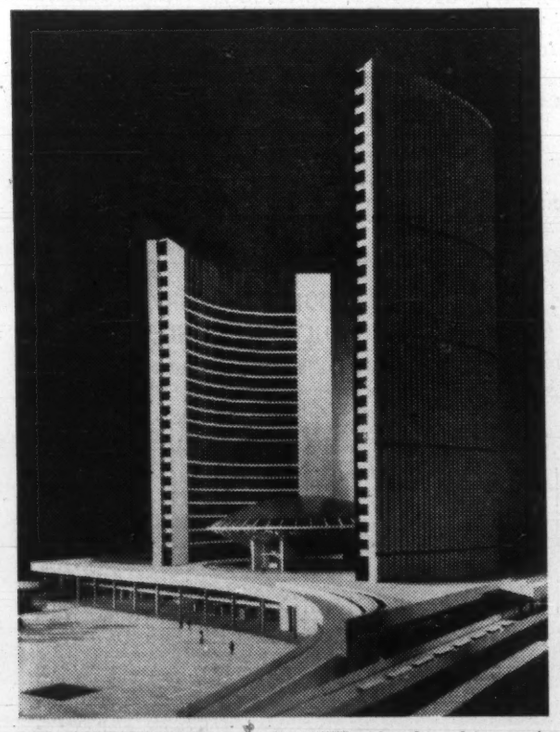
- **Sun Life Assurance Co.** building in Toronto.
- **Toronto's new city hall** — at the engineering design stage.
- **Place Ville Marie** in Montreal.
- **Aeroquay at Malton** Airport, Toronto.

In each case, new air conditioning and refrigeration equipment has been incorporated into the design.

Sun Life

The Sun Life building, now completed and being occupied, is air conditioned throughout.

The use of modern architectural materials of steel, aluminum and glass in producing an optimum working environment free of the noise, dust and odor of the city has been made possible only by the art of air conditioning.



AIR CONDITIONING will help provide the ultimate in working conditions for civic administrators fortunate to be occupying Toronto's new city hall.

Floor to ceiling glass walls give an urban atmosphere with wide panoramic views of the city and Lake Ontario.

The sealing of the glass with no opening sash, facilitates the control of the atmosphere by the air conditioning system, giving a a happy environment for the office worker and for the executive quiet, serene private offices to minimize the stresses and strains of modern living.

The atmosphere is conditioned year round, providing clean, odor-free air, humidity and temperature controlled precisely to the requirements of the varying occupants of the building.

Heat gain from the sun has been judiciously reduced by shading with vertical slatted blinds. Conditioned air, cooled and dehumidified or heated and humidified, as required by the season is supplied through air ducts concealed in the ceiling space to air conditioning units located close to the glass curtain walls.

The air conditioning units, through water coils provide further cooling or heating under the control of space thermostats to maintain the desired conditions in any particular floor space.

The cooling load resulting from heat gain from lighting and the building population is dealt with by mechanical equipment rooms located on each floor.

These equipment rooms provide individual control of the central space of each floor enabling precise control of environment to be achieved despite the widely varying loads between floors.

Air from these mechanical equipment rooms is distributed into the central zones through air diffusers located in the ceilings. Central fan rooms have been ingeniously located in a penthouse above the office floors.

At this high elevation the outside air required for ventilation is cleaner than at the lower levels. The isolation of the fan equipment above the office floors has reduced to a minimum the transmission of noise and vibration.

The mechanical refrigeration plant providing the cooling for the air conditioning system is located with the heating boilers in basement equipment rooms.

Three hundred and fifty-hp electric motors drive each of the two refrigeration compressors.

Cooling towers to provide the condensing medium are incorporated in the penthouse complex. Two 10-in.-diameter pipes run through the building connecting the refrigerant condensors on the first basement floor level to the cooling towers. Through these pipes, 2,100 gal. of condensing water are pumped per minute.

The condensing water is heated 10 deg. F in cooling the building, this heat is dissipated to the atmosphere by the cooling towers.

Air distribution is mainly carried out at high velocities up to 50 mph. 210,000 cu. ft. of air are circulated every minute, of this quantity 67,000 cu. ft. per minute is outside air brought in to provide adequate ventilation.

City Hall

The design for the new Toronto City Hall is now being translated into working drawings and specifications, preparatory to tenders being called later in 1961, by **V. Revell** and John B. Parkin Associates, engineers and architects.

This building will provide unique working conditions for the civic administrators who will be fortunate in occupying what will undoubtedly become a keystone in Toronto's architectural reawakening.

The translation of the designer's concept into an efficient working unit will only be made possible by the use of air conditioning.

In this respect, similar to the Sun Life Office Building, the use of large areas of fixed glass and the provision of quiet, dust and odor free office space in the centre of a large city is being made possible by the careful coordination and integration of the most modern air conditioning techniques.

The refrigeration equipment for the whole building will be located in a basement equipment room together with the heating steam generators.

Two centrifugal compressors, each driven by a 900 hp electric motor will provide the cooling capacity at peak loads. For much of the year only one of these machines will need to be operated, giving the engineering staff ample opportunity to carry out the maintenance so necessary to provide efficient and economical operation.

The cooling towers required to provide the refrigerant condensing water will be located at the top of the west tower, 5,400 gal. of condensing water will be circulated per minute between the cooling towers and the refrigerant condenser requiring four 10-in. pipes running from the basement to the top of the west tower.

The air distribution within the building has been broken down to serve the units into which the building may be naturally divided. The podium floors, council chamber, east tower and west tower.

One large equipment room located in the sub-basement will house the fan equipment serving the podium floors and the council chamber.

Separate fan rooms will serve the two towers. Two fan rooms located on the 9th and 22nd floors will serve the east tower. One fan room located on the 7th floor will serve the west tower.

Filtered air, cooled and dehumidified or heated and humidified according to the season will be supplied through air ducts to the perimeter air conditioning units similar to those described in the Sun Life building.

In the interior zones and the council chamber system the conditioning of the air will be carried out in the central fan rooms, there will be no further cooling or heating as with the perimeter zone units.

The total air quantity to be circulated through the building is 520,000 cu. ft. per minute, the council chamber requiring 50,000 of this total.

Mr. Revell is anxious that the City Hall and its associated Civic Squire should become a year round focal point for the city.

To maintain this interest in the wintertime, it is proposed to freeze the reflecting pool for use as a skating rink. This is an interesting and possibly unique application of the refrigeration system.

The engineers are busily investigating and designing the refrigeration plant to enable the dual usage of summer air conditioning and winter skating rink freezing to be incorporated in the City Hall plant.

The air conditioning system for the new airport will incorporate examples of almost all of the standard air conditioning techniques.

The project incorporates a number of operation and service buildings. All passenger facilities will be housed in aeroquays.

These consist of a 600-ft. diameter ring structure containing passenger waiting areas and sightseer's promenades.

A central structure within this ring incorporates a multi-level parking garage below which is located a three-story structure housing the check-in and baggage claim concourses. Customs, health and immigration department inspection facilities and airline operation areas.

The first stage of development now under construction will incorporate one aeroquay, an administration building, a central power plant and a control tower. Additional aeroquays with a total of four will be added as the volume of traffic increases. The administration building and power plant are designed to allow for expansion.

All buildings in the complex will be heated and cooled from the central power plant. Intensive studies were carried out to determine the most efficient and economical methods for generating and distributing the heating and cooling media.

High temperature, high pressure hot water generators were chosen for the heating plant.

These supply water at 320 deg. F., which is mixed with return water and distributed to the buildings at 250 deg. F.

This temperature was chosen since it allows the use of standard pumps, pipes and fittings and for this reason proved to be more economical than either steam or higher temperature hot water.

Cooling will be done by chilled water supplied at 45 deg. F. centrifugal refrigeration machines.

Malton Airport

Air conditioning of airports is proving to be an essential need, rather than a desirable luxury.

Sealing of the airport buildings is necessary in this jet age to reduce nuisance from noise, dust and odor. Additional benefits are accruing in passenger comfort.

Typical of this growing concept of the airport is the new Toronto International Airport now under construction at Malton, Ont.

With the completion of the first aeroquay, the passenger will be catered to from the moment he drives his car onto the airport roads.

Parking is provided in the multi-story parking garage in the centre of the aeroquay.

From the parking garage, the passenger will enter the air conditioned comfort of the aeroquay, where his needs will be met, through all necessary flight formalities until he steps from the air conditioned corridor, extending radially from the Aeroquay, into the comfort of today's superb jet-propelled aircraft.

Two 27.5 million btu per hour boilers and four 650-ton chillers will be supplied initially. A total of four boilers and 10 chillers will be required for the final complex.

One of the boilers will be stand by capacity to allow for servicing and equipment failures. It was not considered practical to provide stand by chiller capacity.

The total load, however, is divided among enough machines that failure of one unit will not too seriously affect the system. The consumption of chilled and hot water in the first aeroquay will be carefully metered and recorded in order that the exact requirements can be established and future capacity sized to exactly suit loading.

The chilled and hot water will be distributed in tunnels to the various buildings and supplied to equipment rooms throughout the buildings by transfer pumps.

The airport complex is designed to allow aircraft to load immediately adjacent to the aeroquay building.

The exhaust from jet engines may, depending on the fuel used, have an extremely pungent odor.

It was therefore essential to provide purification equipment to prevent these odors entering the buildings.

This air purification equipment permits the system to be designed with an absolute minimum supply of outside air, since normal ventilation rates are dictated not by the need of oxygen replacement, but for odor dilution.

A reduction in total plant capacity of between 25% and 35% was therefore possible. The relatively high cost of the purification equipment has been largely overcome by the resultant savings.

Place Ville Marie

Now under construction, this new dominating landmark for Montreal is to be ventilated by the largest fans ever installed by **Canadian Westinghouse.** They circulate filtered air at the rate of 3.5 million cu. ft. per minute and are strategically placed in the lower and upper floors.

This installation is part of a $500,000 air handling equipment contract awarded to the **B. F. Sturtevant Division** of Canadian Westinghouse for Place Ville Marie.

The capacity of refrigerating equipment installed by **Carrier Air Conditioning of Canada is** 6,000 tons of ice per day.

A spokesman for the consulting engineers, James P. Keith and Associates of Montreal, said: "The lighting in the lobby alone will be so brilliant that without air conditioning it would generate heat of 125 deg."

It's the know-how that counts...

... in air conditioning and refrigeration. Beaver Air Conditioning Ltd. has the design, installation and service know-how to ensure continuous satisfactory performance.

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It takes teamwork and experience to "sweep in" a "shot rock." The same qualifications are required to produce reliable, efficient refrigeration systems.

The Cimco team — Engineering, Manufacturing, Installation and Service — works in close harmony and draws on skills acquired through a half century of experience to produce complete systems for any commercial or industrial application.

If you are interested in food or beverage storage and processing, industrial processing, artificial ice surfaces, or any other application where cooling is required—a Cimco refrigeration system can be engineered to meet your exact requirements.

Whether your requirements are local or national in character, Canadian Ice Machine Co., with branches across Canada, is the one national organization with "single-source" design, manufacturing, installation and service facilities to serve you.

Canada's most complete supplier of refrigeration systems for all applications.

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Refrigeration No Luxury Here

Air Conditioning and refrigeration are playing a role of ever increasing importance in the RCAF, helping to maintain the efficiency of both men and materiel.

These two servants of modern science and technology are used alone or in composite units to provide the Air Force with the facilities for controlling environment, storing food and other perishable materials and in experimental work.

For instance, refrigeration is of vital importance in the storage of photographic film, and air conditioning is essential in aircraft instrument repair shops.

The two in combination are a requirement for the comfort and efficiency of the crews in the aircraft used in a modern air force.

Refrigeration in its familiar form as a "fridge" or a deep-freeze, is put to its most widespread use by the Food Services of the RCAF.

Depending on the size of the messing facilities, anything from the normal domestic "fridge" to the larger walk-in type is used, and on many stations the ice-cream cabinet type freezer is used.

All messes and most air force hospitals have small deep-freezes as well.

On isolated stations such as Resolute Bay, in the Arctic, or Goose Bay, most of the food is received in frozen bulk quantities, brought in by ship during the summer months and stored in deep-freezes until it is needed.

Research on food preservation is done for the RCAF by the Defence Research Medical Laboratories in Toronto.

Most of the experiments are aimed at eliminating the need for refrigeration, because in a time of emergency power supply may fail or be destroyed.

Paradoxically, refrigeration is used by the scientists who are at present experimenting with the possibilities of the dehydration by freezing method.

In the medical services, general refrigeration is used to preserve drugs, vaccines, biological preparations and medical specimens, all of which are stored in refrigerators or deep freezes.

The RCAF's Institute of Aviation Medicine in Toronto uses the cold chamber at the Defence Research Board to carry out tests on flying clothing and Arctic equipment.

The chamber can produce temperatures as low as minus 60 deg. Centigrade. Flying gear tested includes flying suits, G-suits, exposure suits, helmets, goggles, flying boots and oxygen masks.

Equipment for use under Arctic conditions such as primus stoves, containers for liquids and foods, and materials such as rubber, plastic, leather and metals are tested as well.

Cold chambers are also used by the Central Experimental and Proving Establishment at Uplands, Ontario, and its Air Armament Experimental Detachment at Cold Lake in Alberta.

These chambers control temperatures from a range of plus 200F to minus 100F, and are also capable of controling air density and humidity.

With two chambers at each location (one of Cold Lake's being a walk-in type), CEPE is able to pre-test aircraft components, instruments and armament before they are taken to Fort Churchill in northern Manitoba for tests under actual arctic conditions.

The RCAF also has access to the Climatic Hangar at Eglin AFB in Florida, where all possible weather conditions can be simulated; even to arctic blizzards.

Air conditioning also comes into use in the RCAF's photographic rooms, where it keeps the air free of lint and dust, the bane of all photographers.

Air conditioning comes into its own in the Air Force wherever aircraft instruments or electronic equipment is being serviced.

Units are required to control temperature and humidity, and keep the air free of dust. Air conditioning is also used in computor rooms to control temperature and humidity, and in rooms where there is tape relay equipment.

The newly acquired flight simulators require exactly controlled temperature and humidity conditions, both in the machines themselves and in the rooms where they are set up.

These two elements join hands in the Air Force's newest aircraft to provide a controlled environment for both crew and craft.

Air friction on a 1,400 mph jet can build up temperatures so high as to be unbearable for the pilot, and to have an adverse effect on the complicated electronic gear carried in the aircraft.

A combined air conditioner-refrigerator has solved this problem for the Air Force.

The equipment to be installed in the CF-104 will be able to maintain the temperature in the cockpit within a range of 42 F to 100 deg. F, handling a volume of 35 lb. of air a minute.

The temperature and humidity conditions on the flight deck of the RCAF's new CC-106 transport will be controlled by the latest in air conditioning equipment. Crew comfort means crew efficiency.

Thus refrigeration and air conditioning, which were once considered to be luxuries, have become essentials upon which the efficiency of a modern air force depends heavily.

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Refrigeration and Defence

Air conditioning and refrigeration are becoming increasingly important in weapons research . . . particularly at sea.

The icebreaker Labrador, which operates in the frigid Arctic where the water is cold enough to kill a man in minutes, is totally dependent upon special equipment to keep her engines cool!

With six powerful **Fairbanks-Morse** diesels driving her through seven-foot-thick ice at a cruising speed of 16 knots, the Labrador banks upon the consistent good service of heat exchangers from **Kewanee-Ross.**

They accurately control the temperature of the lubricating oil and jacket water in these diesel engines.

Because of wide variations in the temperatures of the sea water used as a cooling medium on the Labrador, and since efficient engine performance is only obtained by maintaining constant engine temperatures, the engine temperature control system, which centres around the Ross heat exchanger, is of vital importance.

This equipment has helped make possible valuable survey work for Canada in the Arctic.

Lt.-Cdr. John Ebersole, USN, who was medical officer aboard the Nautilus and the Seawolf when both atomic submarines sailed beneath the North Pole, says neither voyage would have been possible without air conditioning.

"Control of air for two months without exposure to the outside proved no problem," he says.

In atomic submarines during normal underwater operation, Dr. Ebersole says, large amounts of heat and humidity are given off by the reactor, electronic equipment, crewmen, cooking and steam leakage.

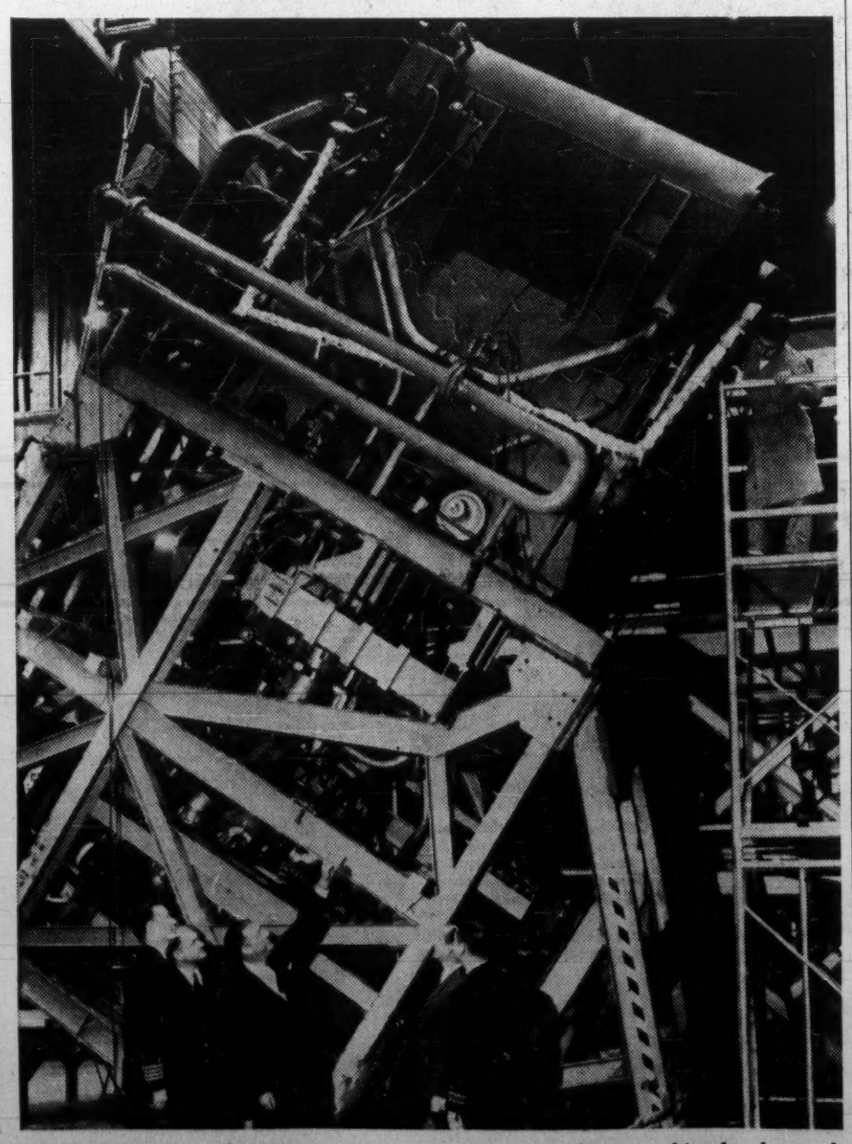
"Without air conditioning," he says, "it would be impossible for humans to endure long submerged cruises."

Special problems are created by Arctic waters. Without positive control of interior conditions, the chilled metal structure of the submarine would cause moisture to condense on internal surfaces and create a cool damp environment, he explained.

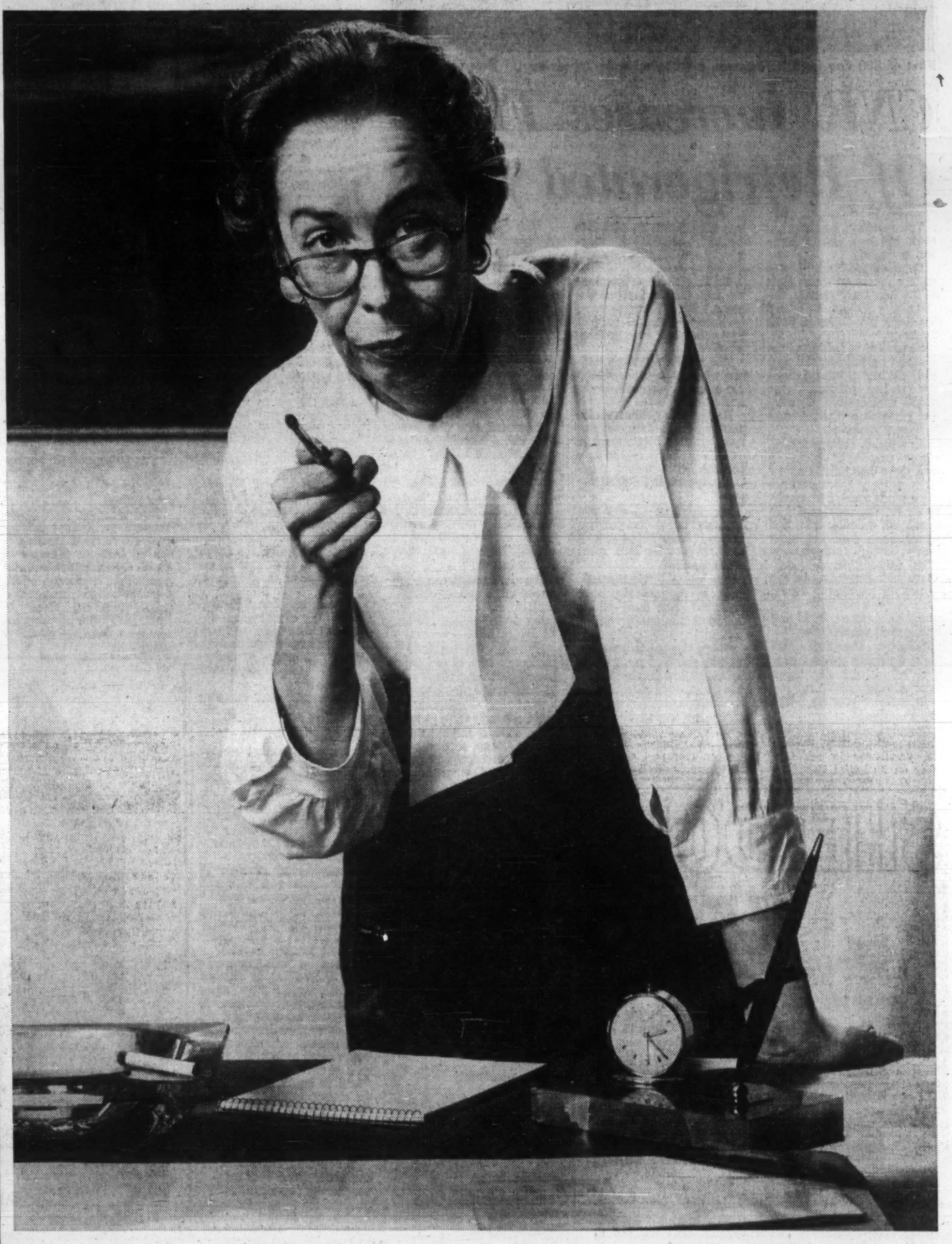
"In warm equatorial waters," he continued, "there is little transfer of heat through the hull to the water. During one cruise when the air conditioning was temporarily shut down, the temperature in the engine room rose to 130 deg. in 20 minutes."

But with air conditioning, the interiors of the Nautilus and Seawolf, whether under the polar ice cap or in warm waters, were at 73 deg. and 52 per cent relative humidity, he said.

Dr. Ebersole is a consultant to the committee on life sciences of the National Aeronautics and Space Administration, Project Mercury, which hopes to put a man in space.



SIMULATED SEAWORTHY trial of new steam-operated cooling machine for the attack submarine Pollack being checked by U. S. Navy officials at *Carrier Air Conditioning Co.*, Syracuse, N. Y., prior to shipment to *N. Y. Shipbuilding Corp.*, Camden, N.J.



What Miss Burton said to her boss—after she quit

Miss Burton: I can't face another day in this blast furnace. Why, from June to September, I go through at least four hankies a day, just mopping up. Who can work!

The Boss: It is rather warm. What would you suggest?

Miss Burton: Air conditioning, sir—air conditioning!

The Boss: But that costs . . .

Miss Burton: . . . No, sir! That's an *investment*, if you want to get any work out of the hardy souls who are still here.

Result: He did, and she came back—to a cool, comfortable office.

Westinghouse Packaged Air Conditioning is an *investment* in the success of your business. Employees work under comfortable, even temperatures. Efficiency and morale go up.

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FOR SMALLER COMMERCIAL INSTALLATIONS the SU Unitaire offers quiet, efficient operation in a minimum space requirement.

First of 300 new insulated boxcars, are beginning to appear on CN lines coast-to-coast.

CNR Increases Fleet Of Refrigerated Stock

Transporting perishable foods has long been a problem in Canada.

Commodities come from widely separated areas, such as the Niagara Peninsula, the Okanagan Valley, B.C., and the Annapolis Valley in Nova Scotia.

Movement of fish from the east and west coasts, and eggs and poultry products from the prairie provinces, requires considerable planning and research by the railways to ensure freshness.

As a result, railway refrigerator cars have improved over more than half a century from ordinary boxcars carrying a crude form of ice bunker to heavily insulated iceboxes on wheels that can travel from coast to coast maintaining temperatures from freezing to 6-8 deg. above zero, depending on the nature of perishable cargo. Such cargoes include meat, fruits, fish, frozen foods and frozen fruit concentrates.

Recently, **Canadian National Railways** tested a new type of airtight car using liquid nitrogen which can reduce temperatures to —320 deg. F.

Designed primarily for the frozen food industry, the car left Vancouver in mid-October on its initial Canadian run with 60,975 lb. of frozen broccoli, cauliflower, raspberries and blackberries consigned to Toronto.

On its six-day cross-country trip, the car reached Toronto with a temperature of —53 deg.—a loss of only 32 deg., despite the sizzling weather.

The nitrogen process employed in the experimental car is equally applicable for transporting frozen fish.

Using highly efficient insulation, the car becomes airtight, making maintenance of extremely low temperatures possible. The frozen foods are sprayed with liquid nitrogen.

The modern railway refrigerator car is dual purpose in that it keeps its cargo cool in warm weather and warm in cold weather.

The latter is particularly important for goods like fresh vegetables and fruit which will spoil when subjected to cold.

Within the last few weeks, CN has put into service the first of 300 new insulated boxcars designed to carry traffic requiring warmth in winter, principally canned or bottle goods, beer, ginger ale, soda water and potatoes. The cars also can transport cigarettes and tobacco, as well as cheese.

The new insulated cars, equipped with heaters, will supplement CN's existing fleet of 200 insulated cars.

The railway finds that the greatest demand for heated car service is during the period between Oct. 15 and April 15.

Consequently, rather than acquire additional refrigerator cars at this time, the new type of car has been designed to serve a dual purpose.

Insulated cars give heater protection, already provided by refrigerated units, but, in addition they can also be used as an ordinary class "A" boxcar.

With all its refinements, the present-day railway refrigerator car — or "reefer" in railway lingo — is still basically a box with ice in it.

The mechanical refrigerator car saves re-icing and also protects its contents if any delay occurs before reaching an icing station.

However, CN wants to be absolutely sure of two points before making extensive use of mechanical refrigeration:

That the mechanism is foolproof and will work without failure during the course of a 3,000-mi. journey; and that it will compete pricewise with the standard method of refrigeration.

These advantages that mechanical refrigeration has over conventional methods seem to be proving themselves, and, as far as CN is concerned, the trend is toward mechanical refrigeration. **At the present time, CN is operating 20 mechanical refrigerator cars.**

Until mechanical units increase in number, natural ice fortified with brine and rock salt will continue to dominate the scene.

In outward appearance, the non-mechanical reefer resembles a boxcar, the big difference being that it is heavily insulated.

It carries eight large ice tanks filled with a mixture of rock salt and ice for cooling purposes, and underslung heaters to afford protection in extra cold weather.

The rock salt additive is used to lower the melting point of ice. If, for example, 10 lb. of rock salt is added to 100 lb. of ice, the melting point is reduced to about 21 deg.

Increasing the salt addition to 30% will lower the melting point of the ice to 6 deg. above zero F, which is about the lowest possible with ordinary salt.

A constant check on the reefer's temperature is maintained en route and it is reiced according to the shipper's instruction, or at regular CN re-icing stations approximately 24 hrs. hauling distance apart.

Ice for reefers is cut in the winter, or manufactured, and stored at 50 major icing points between the eastern and western seaboards.

For less-than-carload shipments of fish, CN's research technicians came up with a unique container called "Canex."

The specially insulated aluminum box is capable of holding temperatures at 29.5 deg. F for a 100-hr period.

This is enough time to make shipments from either the Atlantic or Pacific coasts to the heart of the country. Filleted fish loses little of the flavor juices, and shrinkage, another major problem in fish shipments, is negligible.

Despite its proven ability as a refrigerant, ice and its brine solution is hard on railway equipment.

To cambat the corrosive nature of salt, CN has in service five prototype refrigerator cars, built almost entirely of aluminum. The cars are still undergoing tests.

Dirty Air A Big Problem

Dirty air is one of the major problems in industrial areas today.

What causes this alarming degree of air contamination? The vast and rapid growth of our industrial civilization is the No. 1 villain.

In our headlong race to produce things bigger and better, make them go faster and higher, split them, forge them, and fuse them, we have turned our skies into a veritable sewage system.

Smoke belching from factory chimneys, domestic heating plants, and home incinerators pours countless billions of foreign particles into the atmosphere.

The tremendous number of automobiles, trucks and buses traveling our streets and highways foul the atmosphere with their exhaust gases and, surprisingly, with their tires.

It has been estimated that a single automobile tire will give off more than 700 million particles of rubber to the air during its normal life.

Add to this the dust from all forms of agricultural operations, decaying vegetation, pollens, and numerous other sources, and the result is that the air in which we live, particularly in urban areas, may contain well over 100 tons of dirt per cubic mile, or up to three million particles per cu. ft.

At least 85% of these air contaminants are invisible, ranging downward in size to .001 micron and below (a micron is about 1/25,000 in). Also, they are essentially weightless, never settling out of the air of their own accord.

These are the dirts that cause 90% of all soiling, discoloration of walls and ceilings, smudging around air outlets, reduction of product quality, and merchandise spoilage.

These also are the contaminants that undermine human health. We pride ourselves on our pure food and pure water, and we take elaborate and expensive precautions to ensure that purity.

Yet every day the average Canadian or American breathes into his lungs a full teaspoonful of the vilest substances imaginable.

Analyze the contents of that teaspoon and you'd find it to include such unhealthy elements as dirt, dust, fly ash, soot, rubber, hydrocarbons, smoke, pollen, allergens, viruses and bacteria.

Naturally this concentration is heaviest in densely populated and highly industrialized zones. But even if you live in the outlying areas you're not free from it.

Estimates indicate that in one winter month the dustfall in an average city can reach 20 tons per square mi. in the suburbs, compared with 60 tons per sq. mi. in inlying residential sections and 125 tons in industrial areas.

That's why the electronic air cleaner, the best bet yet for licking this problem, offers air-conditioning dealer-contractors so many potent sales arguments and such an attractive sales potential.

The electronic air cleaner is a two-stage electrically powered device for removing dirt particles and other impurities from the air. It is designed for use in conjunction with any heating, ventilating, or air-conditioning system.

Basically it consists of three separate elements — a means of charging the airborne particles with electricity, a means of attracting and collecting these charged particles, and a power pack to provide the high voltage direct current necessary to energize the first two elements.

Most effective of all air cleaning media, it will remove up to 90% or more of all particles suspended in the air, including those as small as 1/25,000,000 of an inch in size.

Judged by this same standard, electrostatic or charged media filters are rated at 30 to 60% efficient, and mechanical filters at 10 to 30% efficient.

The electronic air cleaner attracts airborne dirt particles much as a magnet draws iron filings.

The dirty air first passes through the ionizer section. Here an electrostatic field is set up between a series of positively charged wires and grounded electrodes. Dirt particles passing through this field, including those as small as 1/1,000 of a micron, receive a positive electrical charge.

The air carrying these positively charged particles then passes through the collector section. Here a second electrostatic field is set up between a number of equally spaced parallel plates. Alternate plates are positively charged and grounded.

The positively charged airborne particles, repelled by the positively charged plates, are attracted by the negatively charged or grounded plates.

Upon contact with these plates the particles loose their charge and normally adhere to the plate surfaces.

The clean, pure air then is ready for circulation through the home or building being served by the electronic air cleaning system.

To increase the dirt-loading capacity of the collector section, the collector plates are coated with a special adhesive solution. Periodically the accumulated dirt and contamination is washed from these plates, either manually or by means of a built-in washing mechanism, and is flushed down a drain.

The collector plates then are re-coated with adhesive before the cleaner is again placed in operation.

While this basic method of operation is common to all electronic air cleaners, naturally there are certain variances in design between different lines of equipment.

How big is the market for electronic air cleaners? Nobody seems to agree on the details, but one point there seems to be no doubt — it could be a whopper!

HERE is the motor engineered for refrigeration and air conditioning applications.

FRACTIONAL & INTEGRAL H.P.
SINGLE & POLYPHASE INDUCTION MOTORS

● PROTECTED - DRIP PROOF ● TOTALLY ENCLOSED - FAN COOLED

For over 75 years, Robbins & Myers have been solving power problems for a wide variety of industries . . . and now they offer Refrigeration Duty motors from 1/15 to 50 h.p. with moisture resistant construction. CEMA rerated frames up to 50 h.p. are available for part winding start.

Let our qualified engineering department help solve your individual problems with custom designed electrical and mechanical modifications.

WRITE FOR BULLETIN 2001/T60

THE ROBBINS & MYERS COMPANY of CANADA LIMITED—BRANTFORD, ONTARIO

Motors Fans Moyno® Pumps Propellair® (Industrial) Fans Hoists

SHELDON

AIR MOVING and CONDITIONING EQUIPMENT

Vane Axial Fan

Utility Set

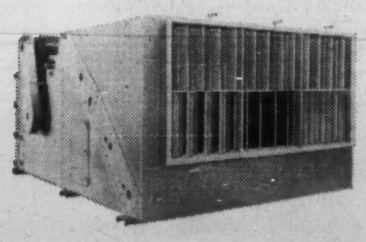
Ventilating Fan

Stainless Steel Blower

Mill Exhauster

Name your need for air . . . Ventilation . . . Comfort . . . Processing. Whatever *your* requirements, the full line of Sheldon air moving equipment will provide an efficient, economical answer. From this wide range of fans, blowers, heating, ventilating and air conditioning apparatus, you can select the equipment that will suit your air handling needs all year 'round.

Included in the complete air-conditioning line is the Sheldon MULTI-ZONE Unit designed to furnish complete air conditioning, heating and ventilation to several areas. Each of these areas may require varying air supply conditions, dependent on building exposure or occupancy. Sheldon MULTI-ZONE Units provide independent, manual or automatic temperature control for two to six individual zones.


Sheldon MULTI-ZONE Unit

Mechanical Draft

HEATING • COOLING
DRYING • DUST CONTROL
AIR CONDITIONING
VENTILATING • PROCESSING

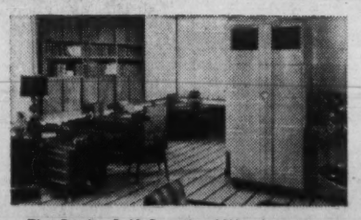
SHELDONS ENGINEERING LIMITED
Galt, Ontario, Montreal, Toronto, London, Ottawa, Hamilton, Vancouver
Representatives in principal cities across Canada

The Imperial Life Tower, in downtown Toronto, is an example of an outstanding business location made even more attractive with Carrier Air Conditioning.

now... existing buildings can have the newest in air conditioning ...the Carrier WEATHERMASTER SYSTEM

No longer need an office building be "dated" or less rentable because it lacks air conditioned comfort. The new Carrier Weathermaster System can be quickly incorporated into an existing building with little interference with business routine. Under-the-window Modular Weathermaster units have no "afterthought" look, but fit smoothly into interior design.

...and buildings don't have to be *big* to have year-round air conditioning!


The Carrier Self-Contained Weathermaker either air or water cooled, is exactly right for small offices, shops or restaurants. Smart in appearance, it blends with any background, can be installed without business interruption.

The Carrier Window Unit can be the ideal answer for the individual office. Light in weight, easily installed, it unobtrusively cools, dehumidifies and circulates filtered air for all-year comfort.

Carrier Engineering advice is yours at any time. Consult the yellow pages of your telephone book; or write direct.

Carrier

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215A - 10th St. N. W., Calgary, Alberta

Biggest System Ever

The biggest air-conditioning system ever installed in an office building is going into the new $131-million Chase Manhattan Bank, New York.

The world's sixth-largest office building, 64 stories tall, will have nearly two million sq. ft. of floor space, a population of 15,000 employees, and 10,000 visitors daily.

To keep them comfortable 51 air-handling systems will circulate two million cu. ft. per minute of temperature-controlled air day and night.

Punctuating the anodized aluminum exterior and compounding the air-conditioning job are 8,800 windows with an area of 800,000 sq. ft.

Other complications arise from the tens of thousands of people, office machines and lights.

Lights alone will give off 17 million btu's an hour, enough energy to heat 350 average-size homes.

Peak heat output from the building will be over 275 million btu's.

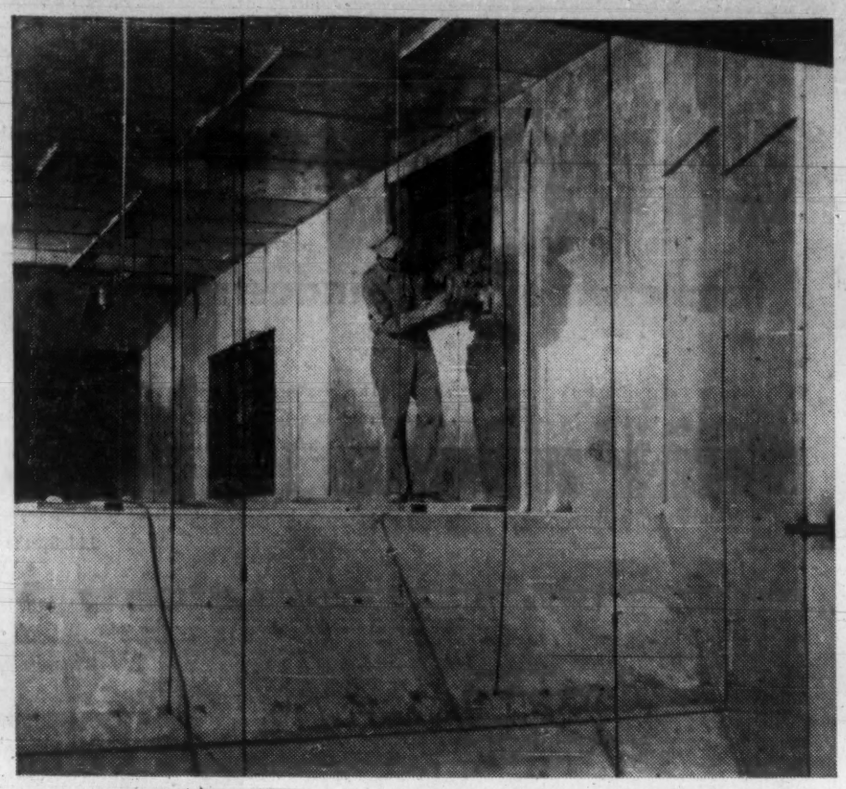
To handle this load the building will have 9,100 tons of cooling capacity, enough to melt a block-square skyscraper of ice 20 stories high every day.

Four Carrier refrigeration units, the largest centrifugal compressors of their type ever manufactured, will do the job.

The building is "divided" at the 22nd story for air-conditioning purposes. The first 21 stories plus the 5-story basement are on one system; a second air-conditioning system serves the 22nd to 60th floors. (The top four floors are filled with mechanical equipment.)

There is a four-zone interior system on each floor, and these are supplemented by a perimeter system. Altogether some 3,000 thermostats will be used.

The interior system uses medium-velocity, medium-pressure air. Temperatures for each zone on every floor are individually controlled to compensate for sun, wind, interior heat load and other factors.



INSTALLING temperature controls in the sub-basements of the Chase Manhattan Bank's new 64-story building in New York.

The electronic thermostats governing each of these zones are rated 100 times as sensitive as the average human's nervous system.

Eighteen perimeter systems circulate high-pressure air at high velocity through 7,000 induction units.

These induction units "wipe" the windows with conditioned air, creating an air - blanket of insulation against outside heat or cold. Air from the unit is mixed with room return air in an approximate one - to - five ratio.

In winter, water circulating through the induction coils is at 90 to 110 deg.; in the summer this water is about 60 degrees.

Honeywell thermostats sense return air temperature, regulating the water flow to maintain a constant temperature. Building personnel can adjust the thermostats for their own comfort.

Low-pressure air will be circulated through ceiling diffusers on the five basement levels. All air for the building will be "scrubbed" by electronic air cleaners.

The operating "brains" behind the air - conditioning systems are two Honeywell selectographic datacenters, one on the 11th floor to handle the lower section, the other on the 31st floor to take care of the upper stories.

These two selecto-graphics will enable two engineers to control comfort throughout the 64-story structure.

Because the bank areas on the lower stories will be finished first, the 11th-floor datacenter will be installed first. Simply by pushing buttons on its compact console one man will be able to:

- **View any of 37 different schematic drawings** showing air - handling systems and converters supplying the first 21 stories and basements.
- **View any of 17 different floor plans** for the lower building and basements.
- **Stop any of 71 supply and exhaust fans** or 16 pumps; in addition there are provisions for controlling an additional 22 fans and 12 pumps.
- **Check temperatures at nearly 400 different locations** on the lower 21 floors.
- **Raise or lower temperatures** at some 200 areas on the first 21 floors.
- **Change from summer to winter** operating on the air-conditioning systems.
- **Check which of 13 electric strip** heaters are on or off.
- **Immediately see which air handling fans** and pumps are running.
- **See and hear emergency signals** for malfunctions at any of 33 pressure-reducing valves, heaters, sump pumps, turbine tanks.
- **Make a continuous record** of any 20 of 732 key temperatures.
- **Read and record steam,** condenser- and chilled-water flows and temperatures.
- **Check outside wet-** and dry-bulb temperatures.
- **Pinpoint cause** and location of almost any mechanical trouble that may develop.
- **Detect the fact** that the snow-melting fluid has gone below a critical level, and get readings on a number of other operating "conditions."

How Metals Behave

Compressor systems which can produce "iceless refrigeration" at ultra low temperatures have been assigned many strange new duties in industry.

Research, too, is continually probing more deeply into the behaviour of metals in extreme temperature conditions.

Du Pont Co. of Canada are following two lines of approach.

First, it frequently becomes necessary to study the changes which metals undergo when subject to sub-zero temperature and to compensate for these changes, e.g. in aircraft components under Arctic conditions.

The second aspect of cold treatment: Use of physical changes which are known to occur at low temperatures, to improve certain metals or to obtain closer fits between metal parts.

These developments have been closely allied with the emergence of new refrigerants, especially those belonging to the family of "Freon" fluorinated hydrocarbons. "Freon-13", which boils at -155 degrees Fahrenheit, or "Freon-14" with a boiling temperature of -198 degrees Fahrenheit (frequently used in a "cascade" system in connection with "Freon-22") have limited but highly important specialized applications in all these fields.

Many of the modern alloys, especially aluminium and magnesium, have sensitive molecular structures which have the tendency to become hard, brittle and lacking in mechanical strength under certain conditions.

These soft alloys are first heated and then chilled to sub-zero temperatures to arrest this development and to obtain instead a fine-grained ductible structure, ideal for riveting and forming.

Low temperature treatment has also been found to impart improved hardness and ductibility, as well as longer service life, to the many modern steel varieties and steel alloys.

Steel for high speed tools responds especially well to this process, which is often carried out at temperatures in excess of -100 deg. Fahrenheit.

Low temperatures are also put to work to give aluminium rivets and other metal parts a close fit.

Shrinking these parts, rather than expanding them by elevated temperatures, has several advantages.

It is thought that cooling is less likely to affect the characteristics of the metal or distort its shape.

Cold rivets, after they are driven home, thaw out, expand, they thus have a greater holding power.

Low temperature industrial chambers or cabinets have been used for some time in typical metal treating applications such as shrink-fitting, quick-aging, stabilizing, stress equalization and hardening of steel tools.

These chambers are designed to meet varying specifications and may produce high or low temperatures combined with different degrees of relative humidity.

AS ESSENTIAL AS THE STEEL —

steel that provides strength without bulk, efficiency in construction, low maintenance cost, long life and designed functional properties for specific performance.

Modern living demands modern equipment, equipment designed for the future. This is why the Remington Incremental System of air conditioning has met with such phenomenal success. Designed for use in new or existing multi-room buildings — investigate the many advantages of the Remington System.

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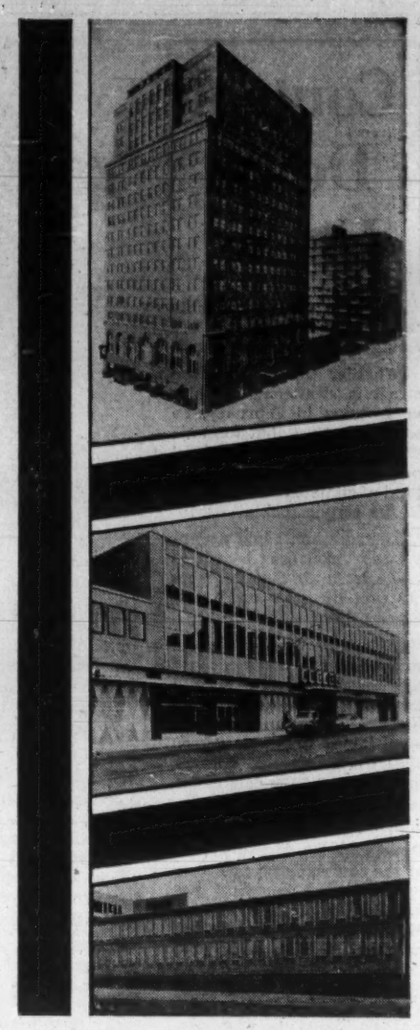
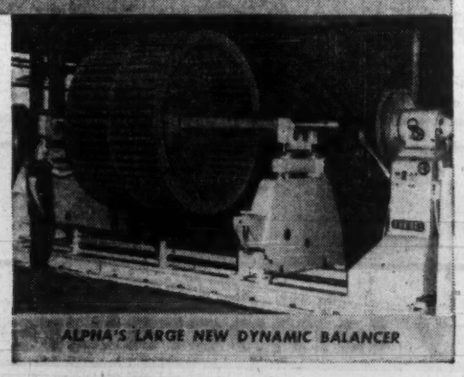
TELEPHONE CL 5-5569
Quebec Branch: 43 WESTMINSTER AVE. NORTH, MONTREAL WEST, P.Q., TELEPHONE HU 8-1085



VIEW OF THE NEW ALPHA FAN TESTING LABORATORY

ALPHA



ALPHA'S LARGE NEW DYNAMIC BALANCER

FANS, BLOWERS, AIR HANDLING EQUIPMENT

From the beginning a quality product, the design and performance of ALPHA Air Handling Equipment is backed by research and testing in one of Canada's largest and most modern laboratories. Add JOY's century of experience in engineering and air control and the name ALPHA is a guarantee of top performance. With the main plant at Canada's geographical centre, service facilities are available from coast to coast. Specify ALPHA and be sure from the start.

Alpha Manufacturing Company Limited, Winnipeg, Manitoba and offices in principal cities

ALPHA AIR MOVING EQUIPMENT 6101

Plants in Winnipeg, New Westminster

Of classic simplicity and beauty, the new office building of the Prudential Assurance Company Limited of England will enjoy complete Climate Control—thanks to a Trane CenTraVac, with low-pressure UniTrane in each office. Prudential staff and tenants alike will enjoy freedom from heat and humidity even on the hottest days! To achieve year 'round comfort in your next building, ask your architect or consulting engineer to specify TRANE air conditioning and heating equipment. Ask them, too, about modernizing the system in your present building, or write direct to:

TRANE COMPANY OF CANADA, LIMITED TORONTO 14

Manufacturers of equipment for air conditioning, heating & ventilating

YEAR 'ROUND WORKING COMFORT IN NEW MONTREAL INSURANCE CENTRE!

with air conditioning and heating equipment by **TRANE**

NEW HEAD OFFICE BUILDING,
PRUDENTIAL ASSURANCE COMPANY LIMITED OF ENGLAND
635 DORCHESTER STREET WEST, MONTREAL, QUEBEC
Architects & Engineers:
Barott, Marshall, Merrett & Barott
General Contractor:
Anglin Norcross Corp. Ltd.—Montreal
Mechanical Contractor:
Canadian Comstock Company Ltd., Montreal

TPJ-59-3A3

Control Down Under

Canada's gold mines naturally hide their most interesting features underground.

Whether the man on the street is sweltering in July or freezing in February, he seldom realizes that the man working a mile below ground may be enjoying the same kind of climate as the patrons in the corner cocktail bar!

Furthermore, some underground passages boast so much fresh air that the miners proudly grow apple and orange trees down there!

If these circumstances don't sound natural, that's because they aren't . . . they're strictly man-made. If Mother Nature were allowed to have her way, mines would be miserable working-places because of the heat of the earth's interior.

For example, Canada's Pre-Cambrian Shield is one of the earth's oldest rock formations, and therefore has had plenty of time to cool off, but the rock temperature is about 76 deg. at a mile depth. Tests in one gold mine have shown that water from a diamond drill hole at the 8,075-ft. level is 97.8 deg. And this is in a cold zone, too.

With the heat, there's water everywhere. Giant hoses are used in mines, particularly in stopes and headings where a constant outpourin is needed to settle rock dust and to cool drills and machines. Soon the air all around is hot and moist.

The answer to all this, of course, is ventilation. Giant ventilation systems soon push this warm wet air out of the mines and, in some mines, take with it an incredible 250 or more tons of water a day from saturated air.

If you could stack that much water in a pile one foot square, it would stand higher than a nine-story building.

Drier air is pumped in to take the place of this moist air. This has a cooling effect. It is air conditioning at work.

In many main passageways, temperatures of 50 to 65 degrees are maintained the year around. On many levels, fresh air surface may be pushed along at a rate of 1,000 ft. per minute, or about 12 mph.

On such passageways, employees become listless, and tire more easily than they should. If that should happen, their production rate would fall, and they would become accident prone because their senses were dulled.

Many Canadian mines work with **Canadian Sirocco** engineers to assure that the air-handling equipment is perfect for the job to be done. Canadian Sirocco provides a wide variety of equipment such as giant intake fans on surface, booster fans underground, and air lines to set up a constant flow of fresh northern air through all sections of the mine.

Canadian mines have a proud record in this respect. One leading mine, for example, uses 600 cu. ft. of air per minute per man . . . 20 times the legal requirement of 30 fpm.

As a result, accidents are rare. However, provision has been made for underground fires or other disasters.

Refuge stations have been built where the men can take protective cover with access to compressed air through pipes, running water, and telephone communications with the surface.

Some mines prepare a set of maps every six months, showing every detail of the mine and how the air currents flow in different sections. In time of emergency, these maps enable engineers to act promptly.

Some mines have engineers who specialize in ventilation. In Ontario, whether a mine has a ventilation engineer or not, the very latest advice on ventilation and dust control is available through a counselling and survey service provided by the **Mining Accident Prevention Association of Ontario.**

Everybody connected with mining probably felt a glow of pride when they heard about the miniature orchard growing far from the sun's rays on the 3,150-ft. underground level of **Sylvanite Gold Mine** in Kirkland Lake, Ont.

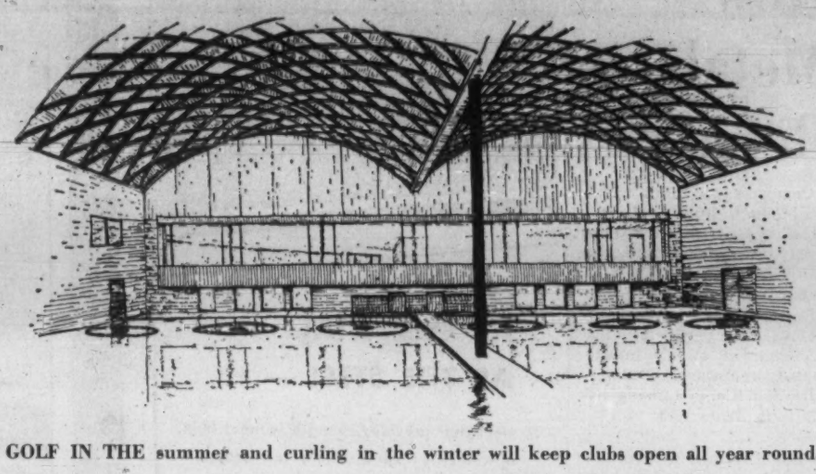
Perhaps it was the balmy 70-deg. temperature—about the average for some of the world's most popular tourist resorts — which prompted a miner to plant the apple seeds in an old tin can more than 10 years ago.

Soon, the tree's roots outgrew the can and it had to be transplanted into a wooden nail-barrel. Because non-stop light from a 200-watt electric bulb is used as a replacement for sun, the tree has only attained a height of some four feet, but it's still rising.

Just to prove the apple tree was no fluke, some other miners planted occasional orange-seeds from their lunches. Three have caught on and been nursed along on a jam-jar of water every three days.

In time, the miniature orchard is expected to rise to the average height of 18 ft. for fruit trees.

What the trees lack in direct soil, rain, and sunshine, they make up in an abundance of good fresh air, thanks to the efficiency of today's mine ventilation systems.



GOLF IN THE summer and curling in the winter will keep clubs open all year round.

Golf Curlers?

Curling rinks connected with golf clubs are becoming popular with communities planning new clubhouses.

High cost of operating clubs for the sole purpose of golf is the reason.

By linking the two sports, clubs can cater for golfers in the summer and curlers in the winter—and make profits from dining rooms and bar receipts.

R. A. Stencel, Toronto consulting engineer who has been associated with the construction of curling rinks across Canada, has developed a system by which the refrigeration equipment used for making ice also air conditions the clubhouse facilities.

Latest club to make use of this dual purpose system is the Oshawa Golf Club, Ont.

Ordinary golf clubs are desolate buildings in winter and it is difficult to hold competent help," says Stencel. "It is also expensive to maintain large investments in clubhouses which are idle for the greater part of the year.

"The Oshawa club, located almost in the centre of the city, will have a new clubhouse with locker rooms designed for golfers in the summer and curlers in the winter.

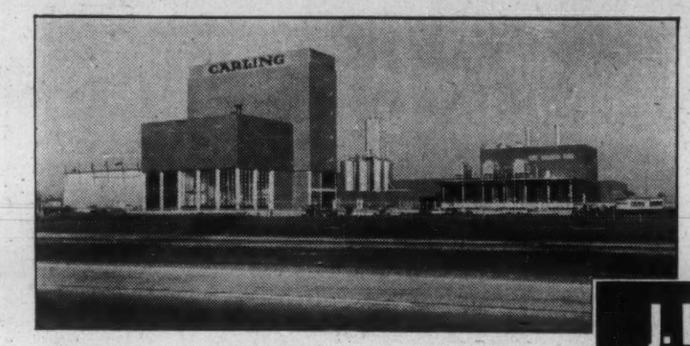
"The outstanding feature," he says, "will be provision for accommodating the club buggies on the ice surface of the curling rink during the golfing season. The refrigeration machinery used to freeze the ice in winter will be used for air conditioning the public rooms in summer.

"This makes the club a family centre all year round."

FRICK REFRIGERATION

serves the food and beverage industries

Refrigeration and air conditioning equipment in excess of 1500 h.p., was installed by J. H. Lock & Sons Limited in the new Carling Breweries Ltd. plant—Metropolitan Toronto (Etobicoke)



Architects & Engineers—Carling's Engineering Dept.

Meeting the complex refrigeration requirements of the modern food or beverage plant is no problem to J. H. Lock & Sons. Many years of experience with FRICK refrigeration and air conditioning equipment in large numbers of Canada's leading food, beverage and chemical plants and laboratories have made our engineers familiar with the best techniques for almost any refrigerating application. Don't waste time and money on costly experiments. Call in the experts from J. H. Lock & Sons Ltd. for the custom installation that will do the job the best way, the first time and at the lowest ultimate cost.

Write for information

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The right way to buy temperature controls

JOHNSON lets you centre complete responsibility in one highly specialized organization!

Undivided responsibility for *all* phases of a temperature control installation — from coordinated planning to future service — is the key to your lasting satisfaction. Each Johnson System, small or large, is furnished on this basis, for long experience has proved it to be the *only* way to assure the kind of lifetime efficiency and operational economy you expect from your control system.

When you invest in a Johnson Pneumatic Temperature Control System, you are investing in years of reliable performance, something hardly to be expected from scattered sources whose responsibility ends with the sale. With air conditioning, heating, and ventilating systems becoming increasingly complex, it is essential that responsibility for your control system be centred in one organization.

Johnson's way of doing business, as demonstrated in leading buildings everywhere, enables you to enjoy the very finest standards of indoor climate control at the lowest possible lifetime cost. When you build or air condition, ask your consulting engineer, architect, or local Johnson engineer for the facts about Johnson Control. Johnson Controls Ltd., Toronto 16, Ontario.

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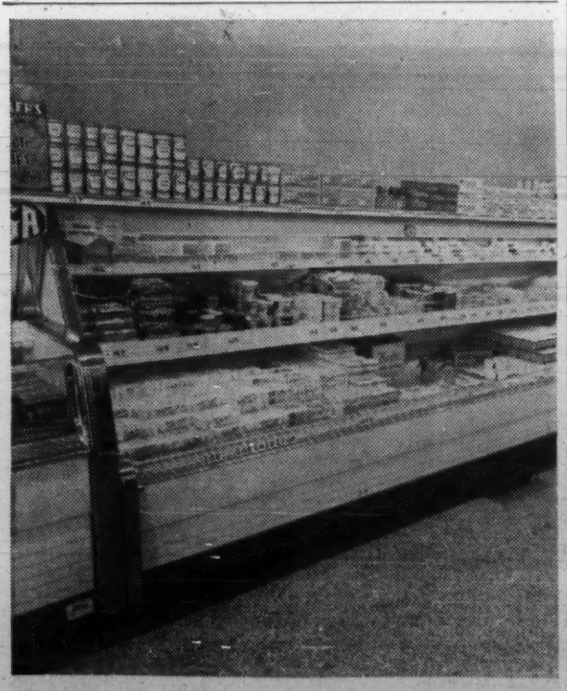
PNEUMATIC SYSTEMS
GROWING WITH CANADA SINCE 1912



IN 1957 refrigerated shelving became a reality, with store-tested models available in a revolutionary new method of merchandising, where a forced-air system was used, with adjustable shelves and no barrier between the customer and the product. This was a great improvement over the 1950 display counters.